THE FINANCIAL POST

The Canadian Newspaper for Businessmen and Investors

Largest Circulation of All Canadian Financial Papers

Vol. XXXVI | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, JUNE 13, 1942 | 10c a Copy; $5.00 a Year | No. 24

Be Sure to Read

Firms' "Cash" Analyzed .. 4
Men Business Loaned 8
First Aid For Retailers .. 7
Silver in War Harness ... 15

The Nation's Business

Now Is the Moment Of Decision

Several remarkable statements were made by E. P. Taylor, Canadian war supply chief for Britain in the United States, at the annual meeting of the Canadian Manufacturers' Association.

He forecast that the president's production goals for 1943 would be exceeded. (These goals, it will be remembered, were 45,000 tanks, 60,000 aircraft, 8 millions of shipping and 20,000 anti-aircraft guns.)

He forecast that the more than $225 billions of war expenditures planned by the United States would be turned into fighting strength by the end of 1943.

He forecast that there would be ships to carry all military equipment to Britain and other battle fronts. It would take only 20% of required tonnage to handle finished goods. Sufficient ships could be diverted from other purposes (such as carrying raw materials or building up food stocks in Britain) for this purpose.

He forecast that main show of "three or more rings" would not long be delayed. Present fighting was merely the preliminary skirmishes, the "sideshows" before the main event.

Such facts are not without their implication to Canada. If the war is indeed coming to a climatic peak shortly, then there is no time to defer decisions on essential matters of national policy such as the all-out mobilization of man power. The only excuse for such delays would be the hope in the minds of the politicians that the war might end in victory before such issues as that of conscription for overseas service had to be settled.

Quite obviously, the master strategists of this war—Roosevelt and Churchill, the combined chiefs of staffs and the combined production heads—have determined that 1943 and 1944 will see the war won or lost. If Canada is to play its full part it cannot take its time about making vital decisions. They must be made at once.

• • •

MUST WE HAVE A GOVERNMENT PRESS, TOO?

The mushroom growth of government in wartime is accompanied by a tremendous growth in governmental publicity services. Virtually all departments at Ottawa, plus numerous new boards that have been set up, now have publicity directors, in some cases with large staffs. The quality and character of their work varies.

Speaking generally, the work can be said to be most effective where the publicity chief considers himself a liaison official between the work of his department and the numerous existing channels of public information and education. His job is to help the magazines and other periodicals, the newspapers, the radio and special writers to dig out information for themselves. He works with, and not in competition with, professionals in the business of informing the public. An example is J. W. G. Clark's public relations work for the army and air force.

The least effective work is being done by publicity directors who seek to present "canned" material to the press; turning the country's writers and editors into mere loudspeakers for the recordings the bureau desires to have played.

How swiftly press agentry has grown to giant proportions at Ottawa is indicated in the proposals for the new "Consumer Information Service." The publicity plans drafted for it embrace press releases, "mat" services for newspapers, special articles for women's pages, automobile pages, financial pages, etc.; photographs, weekly cartoons, comic strips, lectures, radio broadcasts, posters, educational material for retail clerks, motion pictures, information pamphlets, etc.

This would seem to be enough to inundate Canadian people. But a memorandum prepared by Leonard Knott, who may be "coordinator" of the service, suggests that these may not be enough. There "is a very definite need for . . . a consumer newspaper . . . in the form of a tabloid newspaper . . . printed simultaneously from mats in four or five regional centres."

Surely Canada has enough well established, widely read periodicals and newspapers now, keenly alert and ably edited, and which have built an established audience. Surely the government is threatening the very foundations of the publicity and educational job it is seeking to do when it sets up new and extravagant competitive sheets. Either the government wants the full co-operation of the press of Canada—co-operation which the press has fully extended—or it prefers to set up its own competitive press. Ottawa should make up its mind. If it decides that an established, professional press can do a better job than a mushroom, amateur press, set up and run by bureaucracy, then it should act accordingly.

The decision should not be difficult to make. Publications such as the Consumer News (450,000 now circulated monthly) and the proposed new consumers tabloid are extravagant duplications and competitors of the press of Canada and are not needed.

CONTROVERSIES BAD FOR HIGHEST COURT

The Hong Kong report of Sir Lyman Duff, if it had not been challenged, would have brought much comfort to the relatives of Canadian soldiers taken prisoners in that battle.

But Col. George A. Drew's charge that "blood-curdling facts" which the public have a right to know about were brought out in the evidence, and not referred to by the Chief Justice, leaves the public still in doubt.

Col. Drew listened to the evidence and declares there was "inexcusable blundering, confusion and incompetence." The Chief Justice listened to the evidence and found little to criticize.

Col. Drew is a persistent digger and has a wide knowledge of military affairs. That he has, usually, been able, in due course, to establish the truth of any important specific allegations he has ever made lends some authority to his criticism of the Duff findings.

One of the most unhappy features of the episode is the fact that the Chief Justice of the Supreme Court of Canada has again become the centre of a political controversy. It is only a few years since Justice H. H. Davis, of the Supreme Court, was criticized for the manner in which he presented his findings in the Bren gun case.

The Conservative opposition is leading in the criticism of the Duff report. In 1916 it was the Liberal party that criticized a report on the work of the Shell Committee, drafted by Chief Justice Meredith of Ontario and Justice Duff. Then, as now, the basis of the criticism was that the report did not jibe with the evidence or with the facts.

This raises a pertinent question: should Supreme Court judges be asked to deal with questions that are bound to become the subjects of parliamentary controversy? The question may be asked but is not easily answered. Where else are there to be found men better fitted by training and position to head such commissions: men who are less likely to be influenced by political considerations?

One thing is certain. These experiences are bad for the Supreme Court because some of the things said about the Davis report and some of the things now being said about the Hong Kong report bring the Supreme Court into public disrespect. A Royal Commission report by a Supreme Court justice ought to settle an issue. But it cannot do so unless all the evidence is placed before the justice.

The highest court of the land should not be thrown into political controversy or subjected to the possibility of public disrepute. The people of Canada must at all times have confidence in so important a body.

In the present case the matter is to be aired in parliament and the public will have the difficult task of judging the case for itself.

Alta. Debt Talks Seen Fruitless

Government Seen Looking For Political Kudos in Talks on Rate Adjustment

By GORDON L. SMITH

EDMONTON. — There is little hope of an early settlement of Alberta bond refunding problem, according to informed western financial opinion. Conversations between representatives of the creditors and the Alberta government have been resumed this week but it is believed that the two parties are still as far apart as ever.

Premier Aberhart is reported keeping discreetly in the background with provincial treasurer Solon Low chiefly interested and chiefly responsible.

If something tangible results Mr. Aberhart will undoubtedly give his blessing, but if the meeting follows the course of its many predecessors and bogs down, it will be no concern of the premier.

Well Able to Pay

Main obstacle to a successful refunding solution is the different viewpoint of the two parties concerned. To the creditors it is purely and simply a financial problem, to the Social Credit government a political one. And with the latter viewpoint most practical western financial observers seem to agree. So far, however, they have failed to convince their professional brethren in the east.

Here it is no longer regarded as a problem of how much the debtor can afford to pay. As a matter of fact the debtor as represented by the average citizen of Alberta is now in a reasonably prosperous condition, far better off than his neighbors in the other prairie provinces.

Practically all favorable indices are at near record levels, but this situation is largely of academic interest to representatives of the gov-

(Continued on page 2, col. 3)

He Heads Canadian Manufacturers

—Jean Merrill photo for The Financial Post.

Some 2,300 Canadian manufacturers at the annual meeting of the Canadian Manufacturers' Association in Toronto this week elected Louis L. Lang, Galt, Ont., to head their organization. How to speed war production was the prime consideration. There was no grousing about restrictions; no complaint about taxes. Very significant was the large attendance at conferences devoted to postwar planning. The C.M.A. has become a potent force for good in Canada. Under the direction of Mr. Lang it should exert a strong influence in concentrating Canada's war strength and a liberalizing influence in planning our postwar economy. For biographical sketch of Mr. Lang please see page 6.

Labor Relations Are Big C. M. A. Theme

Manufacturers' Association 71st Meeting Many Times Larger Than Usual With Intense Study on Vital Problems a Major Feature

Spontaneous anxiety to "up" the war effort and a thirst for information on wartime restrictions and controls lie behind the record-breaking meeting of Canadian industrialists at Toronto this week.

The 71st convention of the Canadian Manufacturers' Association drew 2,300 registrations—five or six times the average attendance and 1,500 more than the previous record. For the first time in history the convention staged a series of concurrent meetings to crowd a week's deliberations into two and a half days.

Argument centred chiefly on discussion of labor-management committees in war plants.

The controversy was touched off by Director of Selective Service Elliott M. Little who bluntly told the manufacturers they "must" improve employer-employee relations. Behind closed doors the members argued for 10 or more hours as to how best this could be done.

Less Than Little Asked For

The final resolution "recommended full co-operation between employers and employees" in the manner "best suited to individual concerns, so as to achieve maximum production and an all-out effort to win the war."

It is understood to have fallen short of what was urged in "meeting" and in committee. Presumably the ball is now passed to the association's executive committee to find ways of implementing the formal resolution.

No action was taken on two earlier recommendations put before the man-power conference. From the association's industrial relations committee came a proposal understood to have approved management-labor committees "independent of all existing plant organizations and solely concerned with production." Another provision in the same proposal stressed the need for employers deciding on the selection of committee members "on a democratic basis."

"Damned With Faint Praise"

This recommendation drew fire from a past president of the association on the ground that it "damned with faint praise." He urged a blanket endorsation of the Little proposal and the extension of management-labor committees to industry at large. His recommendation is said to have received wide support from the membership.

The final resolution, according to several prominent C. M. A. members, was a compromise urged by a group on the association executive.

Text of the resolution follows:

"In order that the constructive benefits being experienced through employer-employee co-operation in many plants may be extended, it is recommended that full co-operation between employers and employees be developed in the manner best suited to individual concerns, so as to achieve maximum production and an all out effort to win the war."

Prime function of these labor-management committees, it was

(Continued on page 2, col. 7)

Displaced Industries Branch To Salvage Wartime Casualties

Initial plans to stem the rising tide of wartime industrial mortality were announced at Toronto this week by Dr. J. Richard Petrie, newly-named director of the Displaced Industries Branch, Department of Munitions and Supplies. The organization will work within the Industry and Subcontract Coordination (bits and pieces) Branch of the department. It is presently handling upwards of 100 letters a day from firms and business men who see their livelihood shrinking or disappearing as a result of war restriction on materials, products, etc.

Two Main Jobs

Broadly the purpose of the new organization is two fold:

1. Ascertain what industries are displaced.

2. Assist where possible in the conversion of these industries to wartime production.

In his statement to the annual meeting of the Canadian Manufacturers Association at Toronto this week, Dr. Petrie made it clear that his department will have "neither the authority nor the facilities for nursing sick businesses." The Department of M. & S. he pointed out, "is solely a procurement agency." It lines up sources of supply and buys the goods of war. "The only way in which we can help displaced industries is to buy needed war supplies from them—when we can do so in accordance with sound merchandising practice.

"There is no place for compassion in sound procurement policy. Even though an industry — a deserving industry, operated through the years under efficient management—is about to fold up through circumstances far beyond its control—even though such an industry is being displaced by the rulings of this or some other department of government, we cannot deviate from our established purchasing policy. We will not—cannot—follow a policy of subsidizing nonwar industry because of compassion or for any other reason."

Educational Orders

One point at which departmental policy is more "elastic" is the placing of "educational" orders with displaced industries "when the demand for a war store increases so that new productive capacity must be created! Temporarily, said Dr. Petrie, "we can pay higher prices than those being paid to experienced producers."

But educational orders will be the exception rather than the rule. In most cases the tools made idle when an industry is crippled are swelling

(Continued on page 2, col. 3)

100 More Metal Products Banned

By STAFF WRITER

OTTAWA. — Announcement will be made this week of a further list of some 100 metal products whose manufacture in Canada will be prohibited in the near future.

An original list of 92 metal products whose manufacture is prohibited because of the shortage of critical materials was announced some weeks ago.

The order will be issued by D. P. Cruikshank, Metals Co-ordinator, Wartime Prices and Trade Board.

New Production Drive For Airplane Spruce

From Our Own Correspondent

VANCOUVER.—Because airplane spruce is one of the most essential commodities being contributed by British Columbia to Canada's war effort, methods of production are to be given new stimulus by the federal government during the coming months.

First move is likely to be the organization of a crown company with $1 million nominal capital to function like many other corporations brought into existence during the war to carry out a specific production job.

Top man in the organization will probably be R. J. Filberg, head of Comox Logging Company, hard-headed boss logger who is known as an aggressive and progressive large-scale operator. Second in command will probably be J. H. McDonald, veteran sawmill man, a former president of the B. C. Lumber & Shingle Manufacturers Association, who has played an important part in developing the province's export markets for lumber.

Spruce Needed Most

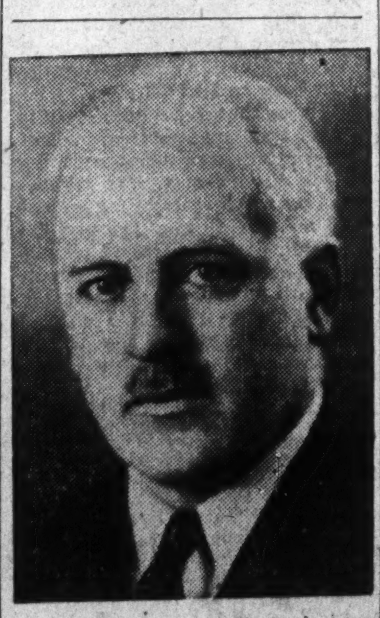
When Timber Controller A. S. Nicholson returned a few days ago from Britain he hopped a plane and headed for the west coast. Reason was that while in the United Kingdom he had been told in direct terms that, while Britain needed railway sleepers, timbers and general lumber, the really pressing requirement was Sitka spruce for the manufacture of fast, high-flying planes.

On the Queen Charlotte Islands, off the west coast of British Columbia, where the rainfall is heavy almost the year round, Sitka spruce grows in huge stands of timber that often rise to a height of 200 ft., with a trunk diameter of six to ten feet.

In the last war the Imperial Munitions Board recognized the value of this timber and set up a special organization for its production. The British ministry of supply has been buying airplane spruce from the Queen Charlottes since the beginning of the present conflict, and last year output climbed to 75 million feet—an all-time high.

Output Lags

This year the government would like to get even more and up till now production has lagged behind the 1941 volume, largely because of the drift of labor from the logging camps. Most of the logs have been cut by three independent companies and by Powell River Co. and Pacific Mills, newsprint companies which for some time have followed the practice of laying aside for aircraft manufacture all high-grade spruce that would otherwise be used for pulping purposes.



NEXT IN LINE

F. P. L. Lane, of Montreal, a vice-president and director of Imperial Tobacco Co. of Canada Ltd., has been elected first vice-president of the Canadian Manufacturers' Association.

B. C. Is Willing To Sell Railway

From Our Own Correspondent

VANCOUVER. — Premier John Hart, returning from eastern Canada where he negotiated the refunding of $16 millions maturing Pacific Great Eastern Railway bonds, declared that his government was ready to dispose of the railroad to United States or other interests provided that the terms were right, but he emphasized that he was not interested in dealing with "promoters."

Reports have reached the coast indicating that President Roosevelt has considered a project for building an Alaska "defense railroad" at a cost of $110 millions. One obvious route would be from Quesnel, the present northern terminus of the P.G.E. through Prince George, northern British Columbia and the Yukon.

Premier Hart was elated over the favorable reception given the P.G.E. bonds in the east and commented on their prompt disposal through a syndicate within 24 hours.

"The deal marks a successful climax to a policy which I have followed as finance minister since 1933, when some people thought B. C. should default," said Mr. Hart, whose refunding operations in the past two years have reduced the province's interest bill by $1.5 million annually.

Now Predicting Budget June 18

By STAFF WRITER

OTTAWA.—It is possible that the federal budget will be presented to Parliament on Thursday, June 18, according to well informed political sources here.

Even if this present tentative "deadline" is not realized it is likely that the budget will be interjected into the debate on conscription and that it will not be held over until that debate concludes.

All Hiring and Firings Go on Official Record

By STAFF WRITER

OTTAWA.—Regulations requiring the channelling and registration of all employment through the regional offices of the National Selective Service are now drafted and are expected to be announced next week.

Effect of these regulations will be twofold:

1. No employee will be able to get a job without making application through the offices of the Employment Service of Canada.

2. No employer will be able to hire a new employee except through the local employment offices.

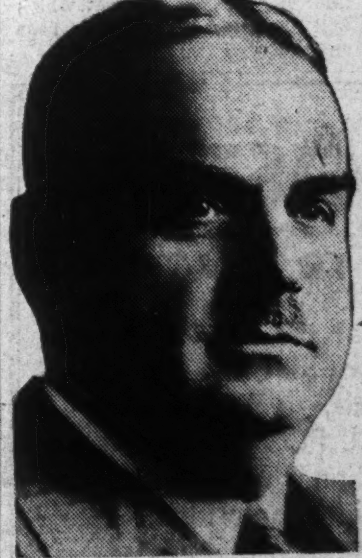
There would be no "freezing" of labor in present jobs but merely a requirement that the transfer of a worker from one job to another must be recorded with the local selective service officers.

Aim of the regulations is to provide an accurate and continuing record and inventory of Canadian man power.

Introduction of some type of regulations of this sort has been forecast by Elliott M. Little, man power director since the introduction of National Selective Service. A somewhat similar requirement is now in force regarding the employment or transfer of technical and professional workers.

It is considered essential to have some check on the movement of labor from one plant or industry to another in order to effectively control the man power problems.

There is no intention of placing any further restriction on the movement of labor or to "freeze" workers in existing jobs.



C.M.A. EXECUTIVE

Aubrey Davis, Newmarket, has been elected second vice-president of the Canadian Manufacturers' Association. He is president and managing director, Davis Leather Co. Ltd. and is on the directorate of several Canadian enterprises.

Wants Free Trade, Same Currency Between U. S. and British Empire

"It would be a major contribution to the peace of the world if the British Commonwealth and the United States were to declare now—I repeat now during this war—that from now on there shall be between them, free movement of goods, a common currency and free movement of people."

So declared E. P. Taylor, vice-chairman, British Supply Council in North America and Director General British Purchasing Commission in Washington, speaking to the Canadian Manufacturers' Association this week.

He added: "The three stand together—none can produce the desired results without the other and I submit, Canada has nothing to fear from such an arrangement."

With respect to the claim that Canada should have full representation in her own right on all of the various war boards which have and are being set up for co-ordinating the war effort of the United Nations, Mr. Taylor said:

"Canada would be most unwise to do so. For a great many reasons in her own interest and in the common interest, Canada will be best off if she relies on the several Joint Canada-United States boards which have been set up and then let the United States members on the combined boards represent North America. If we do this, I feel certain we will lose by such an arrangement. On the contrary, we will gain very much in the future as we have in the past."

Continue Partnership

Referring to the post war world, Mr. Taylor said:

"There has been the practical demonstration of what can be done in the democracies when government and industry proceed as a partnership. That partnership must remain if the English-speaking democracies are to give the essential leadership in the community. We must manage the peace as well as we are managing the war."

"British orders paid for in cash made a good foundation for the programme, particularly the original

(Continued on page 2, col. 7)

Hat News FROM EATON'S

Feather-Light Summer Headgear

"Pana-Cool" PANAMA HATS

Very light in weight and specially woven for ventilation purposes, these jaunty hats are really "tops" for cool, comfortable Summer wear! In popular pinch front style with bright Pugree band. Sizes 6¾ to 7½.

Each 5.00

Main Store—Main Floor

T. EATON Co. LIMITED TORONTO CANADA

Investor's Index

June 13, 1942

Brazilian Trac.	5	Hudson's Bay	14
Brown Corp.	8	Inter. Petrol.	2, 5
Canada Packers	14	Internat. Power	13
Canadian Car	4	Inter-State Roy.	14
Candn. Celanese	14	King Ed. Hotel	14
Candn. Flour Inv.	14	C. W. Lindsay	4
Clarendon Apts.	14	Manitoba Sugar	8
Comm. Alcohol	13	Okanagan Inves.	13
Consol. Paper	14	Ontario Silknit	5
C. P. R.	8, 11	Orange Crush	2
Distil.-Seag.	13	Photo Engravers	14
Dominion Coal	8	Porto Rico Pwr.	13
Dom. Envelope	5	Sutton-Horsley	8
Dom. Textile	2	Sutton-Horsley	14
East Kootenay	5	United Gas & F.	14
Fleet Aircraft	14	United Secs.	2
Foundation Co.	8	Viceroy Mfg.	5
B. F. Goodrich	14	West. Can. Hyd.	14
Hamilton Cotton	14	Western Savgs.	8

MINES AND OILS

Calumet	15	Moneta Porc.	15
Columbiere	15	Pioneer	15
Consol. Smelt.	15	Raven River	15
Delnite	14, 15	Sigma	15
Dome	15	Siscoe	15
Dom. Magnes'm	15	Sylvanite	14, 15
Golden Manitou	15	Tread. Yukon	15
Goldorel	15	Vanalta	15
Kootenay Belle	15		

REGULAR FEATURES

Banking	10
Bonds	12
Bond Quotations	12
Business, Week in	7
Commodities	15
Company Reports	5, 13
Editorial	6
Insurance:	
Fire and Casualty	10
Life	10
Investment Pages	4, 5
Enquiry Letters	8
Stock Quotations	13
Mining Pages	9
Mining Quotations	15
Mining Reports	15
Oil Page	14
Oil Quotations	14
Royalty Offerings	14
On The Record	7
Wheat Page	13
Wheat Quotations	13

Bond Tenders

3 p.m., June 14, Sch. Commissioners of La Presentation De La Ste-Vierge, P.Q.—$22,500, 4%, dated May 1, 1942, redeemable serially from May 1, 1942, to May 1, 1962. Jean L. Legault, sec.-treas.

June 11, Canada Treasury Bills—$45,000,000, dated June 12, 1942, payable Sept. 11, 1942.

June 22, Sch. Comm., Town of Montreal East, P.Q.—$20,000, 4%, due serially in 20 installments.

Keep POSTed while you're away!

In the country, at the seaside, wherever you may be on vacation or week-ends, you'll want THE FINANCIAL POST for its precise information that is so valuable to you in these critical days.

THE POST, therefore, offers you a special ten-weeks' subscription—with prompt delivery of the paper by mail each week for only . . . **$1**

(For One Year—52 Weeks—$5)

THE FINANCIAL POST,
481 University Avenue, Toronto 2

Send me The Financial Post by mail each week for .... weeks, commencing with issue dated Saturday, ..., 1942.

Herewith $..........

NAME ....

....
(Permanent Address)

....
(Address Where Paper to be Sent)

....

....

Canada Approved Flour Meeting Cool Reception

From Our Own Correspondent

MONTREAL.—"No one is getting killed in the rush" to buy Canada Approved flour, say millers here commenting on the ebbing of the wave of enthusiasm that launched the new Vitamin B_1 product some weeks ago. Although millers and bakers have co-operated fully in marketing and advertising Canada Approved flour and bread it is reported not "going over" at the box office to any marked extent.

So far, official circles have been pursuing a policy of slow development with speakers at women's meetings, etc., being one of the main efforts in trying to popularize the new product. While some in the milling trade believe that Canada Approved is not likely to any better public response than its present very moderate reception others say that it may have chances of eventually growing in popularity.

This latter group point out that a factor in this connection is that bakers who now get government contracts to supply military or munition plant needs now must use the B_1 flour, something that may help to spread its popularity.

United Secs. Plan Looms

Asking 3% Bond With Shawinigan and Montreal Power Guarantee

From Our Own Correspondent

MONTREAL.—Definite developments leading toward reorganization of United Securities Ltd. are now believed to be only a few days off. The Bondholders' Protective Committee has made a definite proposal which is now in the hands of the Provincial Electricity Board for its consideration.

It is understood that the bondholders are asking that United Securities issue a new 3% bond to mature 1952 to replace the 5½% issue maturing the same date on which the company deferred its interest May 1, last. The new bonds would be guaranteed as to principal and interest by both Shawinigan Water & Power Co. and Montreal Light, Heat & Power Co., which control United Securities.

Before Shawinigan and Montreal Power can give such a guarantee they must first obtain authorization from the Electricity Board. Bondholders have received no definite intimation that the two big power firms are willing to offer a guarantee on the proposed new United Securities bonds but the fact that the proposal has been passed on to the Electricity Board for consideration is taken as a strong indication that Shawinigan and Montreal Power are agreeable.

See Two Months Meat Shortage

Canada's meat policy will probably not be definitely decided until September of this year. By that time, Food Administrator Taggart will know approximately how much meat is going to be available, about how much will be needed. Rationing may be necessary if supplies do not meet demand by that time.

For the immediate future, Canadians, particularly in the east, are going to face a shortage of their favorite cut of meat which will likely last at least six weeks and probably two months.

The War and Business . . .

E. P. Taylor Tid-bits

Tid-bits E. P. Taylor told the C.M.A.—He is now at Washington as vice-chairman, British Supply Council in North America and Director-General British Purchasing Commission.

"We deal not only in tanks, ships, aircraft, but everything from shoe laces and razor blades to complete oil refineries and railroads, mountains of food and raw materials. The U.K. under present conditions can no longer supply a large proportion of the civilian needs of the colonies so we have even had to provide the skirts worn by the natives of our South Sea Isles."

Oliver Lyttelton (U.K. Minister of Production, now in Washington) "is unquestionably a man of great ability," said Taylor.

"Sometimes I wonder, after dealing with astronomical figures, how I can ever get back to the figures of Canadian commerce. At a directors' meeting (of a Taylor company) I came to an item which was really $70,000, but I read it as $70 millions. Several members of my Board collapsed."

He quoted Beaverbrook reporting on success of negotiations with Stalin: "On the first day, Mr. Stalin offered me tea, yesterday no tea, today, tea and cakes."

"The production of the United Nations already greatly exceeds that of the Axis. While we have no authoritative data on Russian production we do know it is large. I must admit that we know more about the production figures of the enemy than those of our Russian ally."

Taylor says in this respect at least Canada has the U. S. "skinned a mile." The (U. S.) War Production Board under Donald Nelson limits itself to planning the buying. The placing of orders it delegates to five departments, Army, Navy, Maritime Commission, Agriculture and Treasury, the orders.

Said Mr. Taylor, "I have no hesitation in saying that the Canadian plan of a single supply department, having also the power to restrict production of civilian goods, is by long odds the best of all. Those responsible for the plan of a single department of munitions and supply deserve great credit for their foresight."

* * *

Immigration

Western Canada is talking much about post war immigration emphasizing—vehemently — that newcomers be from U.K. or northwestern Europe. As to what type of workers they are to be seems to depend on the interest of the talker. Farmers don't want more farmers, they want industrial workers. Industrial interests are inclined to want the opposite.

* * *

New C.I.O. Drive?

Some sober westerners report that C.I.O. is wondering about launching a drive to unionize the farmer, with Alberta the starting point.

* * *

Civilian Goods

The U. S. War Production Board has hit upon a new plan for easing the looming shortage of civilian goods and at the same time of throwing more business to little plants. The latter if located in areas designated as free of labor shortages, will be allowed to manufacture specified lines of civilian goods that the larger plants have been forced to abandon in favor of war work.

Kitchen stoves, exclusive of electric, will be the first jobs of this nature for the little fellows. By July 1, it is estimated, 92 out of a total of 245 companies in the U. S. which normally make stoves will be on full time war work and in that 92 of course were the country's largest makers.

* * *

They Told 'Em So

The bad news about the route chosen for the Alaska highway seems finally to be coming out in Washington. Canadian engineers who knew interior B. C. intimately, modestly volunteered that information, it is understood, months ago. They were virtually told to mind their own business.

* * *

Glamorizing

The United States is a nation of psychologists. Americans dramatize things to get results. In war plants the night shift has come to be called the "MacArthur shift." In Hartford, Conn., those who labor on the night shift get a special insignia: a flag with the city seal in blue on a white field with the words "War Worker" below in red.

The worker hangs the flag out his window as he sleeps in the daytime. It warns playing children, noisy street cleaners and others to be quiet: that a war worker is trying to get his needed sleep.

* * *

"It Is Fair"

The Winnipeg Free Press doubts if "honor rationing" will work. Says The Free Press:

"Cumbrous and costly though it is, card rationing has this to be said for it: it is fair. This fact has not yet completely penetrated our bureaucratic fastnesses. Apparently officials are quite ready to see half the population carrying the load of restriction for the other half that is too selfish to obey the honor system, provided there is some net reduction in total consumption. But this is grossly unjust and obviously cannot be maintained for any length of time."

Orange Crush Completes Deal

Completion of the deal whereby Associated Bottlers Ltd. acquired O'Keefe's Beverages Ltd. from Canadian Breweries and Evangeline Beverages (Ont.) Ltd. leaves Orange Crush Ltd. owning all the capital stock of Associated Beverages, E. P. Taylor, president, announces.

Associated Bottlers was recently formed to amalgamate soft drink bottling concerns in Canada along national lines. Economies in operation are stressed as one of the chief aims and Mr. Taylor states substantial progress has already been made. Associated Bottlers has bottling and distribution rights for Hires Root Beer, expects to acquire additional business.

Authorized capital consists of 200,000 shares of no par stock of which 50,000 shares are issued and held by Orange Crush. An issue of $2 millions of general mortgage and collateral trust 5% debentures has been authorized, maturing $100,000 annually 1943-52 inclusive and the balance of $1 million in 1953. At April 30, 1942, $700,000 of the 1943-52 maturities had been issued. None of the 1953 maturity, which is convertible into common stock at $10 a share, had been issued.

Consolidated balance sheet of Orange Crush, including Associated Bottlers but excluding Evangeline Beverages which was acquired in May, as at April 30, 1942, shows total assets of $1.7 million as compared with $748,000 at the end of October, 1941. Fixed assets had a gross value of $1.1 million and depreciation reserves were $325,602.

Working capital at April 30 was $225,241. Current assets included cash of $98,729, receivables of $147,034, inventories of $140,416 and investments of $35,924. A bank loan of $38,956 also appeared. Mortgages payable have increased from $5,000 at Oct. 31 last to $122,000. Funded debt includes $100,000 for Orange Crush and $700,000 for Associated Bottlers.

Advertising Tax Position Cleared

Clarification and interpretation of the recent income tax ruling regarding advertising costs has been made public this week by release of correspondence between C. R. Vint, chairman, legislative committee, Association of Canadian Advertisers, Inc. and C. Fraser Elliott, K.C., Commissioner of income tax.

The statement contains important reassurance as to the attitude of the department toward so-called "normal" advertising and amplification of other important points.

Dom. Textile Output Rises

From Our Own Correspondent

MONTREAL.—Basic output of the mills of Dominion Textile Co. in terms of weight produced during the fiscal year ended Mar. 31, 1942, was 15.8% greater than the previous year, G. Blair Gordon, president, states in the annual report.

Over 50% of the entire basic production was disposed of in primary form, as yarn and grey cloth. The balance was moved to the company's converting plants, where, supplemented by purchases of grey goods total production yardage of converted goods was 48.5% higher than last year.

Major development during the past year was organization of a staple fibre unit in the Rayon Division of the Sherbrooke branch. With the growth of women's divisions in the Services, there is an increasing demand for fabrics made from spun rayon or mixtures thereof for equipment purposes.

About two years ago Dominion Textile began to use substantial quantities of Brazilian cotton because of the price advantage in comparison with American growth. The U. S. Government took steps last autumn to narrow the spread between the price of American and Brazilian cotton of comparable qualities by means of special export and subsidy arrangements.

As a result Dominion Textile has been in a position to purchase American cotton at several cents per pound below the open market price in the U. S. The company has made use of this opportunity to accumulate stocks and to contract for deliveries of American cotton which will stand it in good stead over the next few months, particularly as arrivals of Brazilian cotton are now very uncertain due to the shipping situation.

Newsprint Plans Announced Soon

From Our Own Correspondent

MONTREAL.—Steps the newsprint companies are likely to take to meet the projected diversion of power to aluminum production are expected to become known at least in general outline within the next couple of weeks or so.

Within that time some results should be announced from the series of conferences now proceeding within the industry. The government has made certain requests of the newsprint companies and the operators are currently trying to arrive at a general operating basis whereby these requests can be met. If they feel that some amendments are desirable a case will be prepared for submission to the government.

Displaced Industries Branch To Salvage Wartime Casualties

(Continued from page 1)

an already existing surplus of that type of tool.

"It is true we need machines and tools but only certain kinds. It is seldom that a displaced industry has any of these critical tools.

"Displaced industries must for the most part be placed upon a strictly competitive basis with experienced manufacturers who are already in production, and who know their costs on the war supplies which they are producing."

To date, says Dr. Petrie, some 800 or 900 "applications" have been received. Of these about 109, after investigation, have been rated as "certified" displaced industries. Chief industries included in this list include: rubber footwear; rubber sundries; furniture; sheet metal plants; woodworking establishments.

There have been scores of requests from garages and service stations for assistance but with a few exceptions they have had to be "written off" so far as this particular programme is concerned.

Group Action

Wherever possible, industries are asked to make their representations and work out their problems collectively. This has been done in the case of several groups, notably the rubber footwear industry where 12 firms have pooled their troubles and are approaching "conversion" or alternative occupations through one person (Major A. R. Lawrence).

What will be done (if anything) for industries not able to qualify for government contracts under the Displaced Industries Branch is not yet determined. In one county where careful investigation was made, the three furniture factories which comprise the bulk of industrial employment were found to have no equipment capable of being converted to war use without government aid or subsidy.

One problem which may have to be faced shortly will be whether or not the government will undertake to subsidize, as a part of fiscal policy, firms or industries which otherwise would not be able to contribute to the war effort. The Department of Munitions and Supply has made it quite clear that it cannot do this through ordinary procurement channels. Any such move would have to be a separate part of broader fiscal policy.

Under the system being worked out by Displaced Industries Branch, firms are urged to apply either to district offices of the C. I. S. branch of the Department or direct to Ottawa. Once the request for "assistance" is received in writing at Ottawa, forms will be sent asking special information about the "displaced" industry and a check made to ascertain if a survey of the plant's production facilities is on file. Manufacturers are urged to come if possible to Ottawa where a show of "sample" goods is on display in a special showroom. Individual units in a large industry are urged to co-ordinate their efforts to obtain contracts.

The man in charge of this contract is on loan from his peacetime job as Economic Adviser to the government of New Brunswick. Dr. Petrie was sent to Ottawa by the New Brunswick government over a year ago to establish liasion at Ottawa with the Department of Munitions and Supply. When the "bits and pieces" programme was set up he worked closely with Frank Jeckell, director-general of that programme and within the past two or three months has been setting up an organization to deal with the newer problem of the "displaced" industry.

Alberta Debt Talks Seen Fruitless

(Continued from page 1)

ernment. A successful debt settlement to them will be something that that will permit them to go up and down the province this summer and say to party picnic audiences "Look what we have done."

According to the best financial opinion between here and Winnipeg the Alberta government would like to get a refunding rate of 3%, will probably ask for 3¼, would be willing to settle for 3½ to 3¾. But this same source of information claims that such a settlement at this time would put a premium on default. It would give better or equal terms to defaulting Alberta than prevail in the other western provinces which, despite just as serious a depression and fewer resources, have made a real effort to pay their debts.

Of course anything close to 3% would likely be regarded by the government as a political victory but informed opinion declares no such settlement is likely. It would have immediate and serious repercussions in the other provinces and would certainly not be regarded satisfactorily by the rank and file of creditors. How to effect some sort of a compromise with political kudos for the government and a reasonable rate of interest for the bondholders constitutes the real problem.

Of lesser importance in the controversy is the possibility that the Alberta government may soon need more credit. The new light hard surface roads which the government built some years ago are now beginning to show much wear and tear and extensive repair jobs are looming. Further borrowing, of course, is out of the picture until the present tangle has been straightened out.

Inter. 'Pete' Gains Markets

New outlets were obtained by International Petroleum Co. in the latter part of 1940 and during 1941 to replace markets lost in Continental Europe, states G. H. Smith, president, in presenting the report for 1941. Method of operating one of the company's refineries was changed to meet requirements of the new markets.

Result was that the company was able to produce and market from its oil fields, including its interest in Mene Grande Oil Co.'s production from Venezuela, a total of 41.8 million bbls. in 1941 compared with 39.7 million bbls. in 1940. The adjustments also gave a considerable saving in tanker tonnage.

Refineries processed 10.6 million bbls. in 1941 against 9 million bbls. the previous year, a record volume. Natural gasoline production was 75,000 bbls. higher last year.

Result is a net profit of $1.23 a share against 94 cents in 1940. Further particulars of the financial statements will be found elsewhere in The Financial Post.

New Pools in Peru

In Peru, two new oil pools referred to in the 1940 report have been developed with satisfactory results. Three new productive areas have been discovered; one gives promise of developing into a pool of considerable extent and importance; another appears to be a small pool producing high grade crude from shallow wells; the third is as yet known only from its discovery well.

Active exploration on the large area held in Ecuador continued last year. Results obtained are stated to have "contributed materially to our understanding of its oil prospects."

Near Record For Brazilian

Brazilian Traction, Light & Power Co.'s operating subsidiaries have had to increase their capital account by over $70 millions in the past ten years to accommodate the growth of services. Last year $11 millions was spent on additions, improvements and replacements.

For 1941 the company reported best operating results since 1930 though still well below record years.

Although the value of the milreis in 1930 was 10.8 cents as compared with 4.86 in 1941, increased volume of business, operating economies and efficiency have more than offset the decrease, plus extra cost of materials, labor, taxation and other handicaps.

Sir Herbert H. Couzens, president, in presenting his annual report for 1941 points out that business has increased in the past ten years as follows:

	1941	Gain over 1931 %
K.w. hrs. sold	1,816,992,420	128
Telephones in service	224,993	130
Gas sold, cu. metres	161,620,413	58
Traction passengers	1,070,737,408	47
Water sold, cu. metres	12,609,857	33

Brazil is beginning to feel a power shortage. Load on the Sao Paulo and Rio de Janeiro systems gives evidence of abnormally rapid growth. The company has also had to supply, under government order, power to companies operating in areas adjacent to its own.

Gas producing subsidiaries experienced increasing difficulty last year in securing adequate supplies of coal and other materials. The position continues to be critical, but Brazilian authorities have decided against rationing gas to date although certain restrictions are being placed on extensions. Consumers have been urged to reduce their demands in every way possible. Experimental work and investigation to find suitable substitutes for coal in Brazil have met with some success but not a satisfactory solution. Representations have been made to the authorities in the hope of obtaining a more equitable rate schedule for gas sales.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

	Date Issued	—Sold to—	Rate	Due	Amount	Price	Yield
Dominion—							
Canada Notes	June	Bank of Canada	1¼%	2-yr.	$100,000,000	100	.....
			1½%	2½-yr.	92,831,000		
Provincial—							
British Columbia	June	A. E. Ames & Co. and Syndicate	2-3½%	1943-62	15,700,000	....	*3.60%
Ontario	June	Wood, Gundy & Co. and Syndicate	2%	1945	10,000,000	*99½	2.15%
			3%	1953	10,000,000	*99	3.11%

*Offering price.

MANUFACTURERS . . . Are You Making War Material?

Borrow at the Bank, if necessary, to speed up your production for Canada's war effort.

Despite general Government financing of war projects, there are many "in-between" credit needs where the Bank can be and wishes to be helpful.

Whether you make bullets or beds, cannon or caps, shells or shoes, for our forces—you are welcome to bring your credit problems to the attention of our nearest branch manager.

BANK OF MONTREAL

"A Bank Where Small Accounts Are Welcome"

Modern, Experienced Banking Service . . . *the Outcome of 124 Years' Successful Operation*

A15B

Relations With Labor Big Theme For C.M.A.

(Continued from page 1)

urged will be to make suggestions as to means for increasing production, with management reserving the final decision on all recommendations. Another reason for the committees, as outlined by those who favor them, is that they give workers a feeling of responsibility — of being "members of the team." This, it is argued, builds morale, and tends to discourage absenteeism, a serious problem in many industries. Workers whose enthusiasm is keyed up, and who are striving for a production record, are not likely to stay away from their jobs without cause. A man tooling a single part of a machine gun all day long, it was pointed out, has difficulty associating the little piece of metal with the completed gun, or of realizing that whether a battle is won or lost may depend on him.

Claim Misrepresentation

Employers attending the meeting reported that the big labor turnover war plants are now experiencing is due to some part to "misrepresentation"—men working until they are half familiar with a job, then moving on to another plant to pass themselves off as experienced workers. Proposals were made that each worker should be required to carry a certificate, setting out actual experience. It was generally accepted that wartime unrest is another factor in the turnover. Some are understood to have alleged that employers themselves are partly to blame, some having been known to violate the "enticement" law and the wage ceiling to get workers away from other employers.

Say Some Seek Longer Hours

Workers on an hourly pay basis want to work long hours, it was contended. Men have been known to quit a job where they got 90 cents an hour to take a job at 85 cents an hour, because of the longer work week in the plant with the lower wage rate. There was criticism of government-owned plants paying high wages to take workers from private concerns or setting up basically high wage scales for a district. One man said in Toronto the government paid as high as $22 a week for inexperienced girls.

Discussion of working hours reportedly brought out the contention that one study had shown a 52 hour week gave the greatest man-power efficiency; a 55 hour week gave greatest production per man, and that after a period of time, a week which was longer than 55 hours led to a slowing of production.

Opinion of the manufacturers is that the man-power shortage in industrial areas will soon become more acute than before, due to the freezing of farmers on the farms and the new regulations raising the age limit for compulsory military service.

Hints Compulsion

F. L. Jeckell, director-general of the industry and subcontract co-ordination branch of the Department of Munitions and Supply, hinted at a conference on war production that if all manufacturers do not co-operate to the fullest extent on a voluntary basis, compulsion may result.

"Generally speaking," he said, "the prime contractors who are doing the best war jobs are the ones who are doing the most subcontracting. The Hon. Mr. Howe has stated that, so far, this subcontracting has been undertaken voluntarily. We hope to continue in the democratic way, but it must be realized now that the time for expanding productive facilities is past. From now out, if additional capacity is needed, we must use existing facilities whenever possible."

A civilian defense conference of the C.M.A. adopted a comprehensive programme for air raid precautions, after listening to advice from British, Canadian and United States experts.

Urge Co-operation

At one session, the association was urged to get behind the government in carrying on the morale-building campaign which has been carried on by the Department of Munitions and Supply since Jan. 1. The association passed a resolution expressing approval of educational work of government departments in connection with the war and urging the government "to continue such work" and co-operate with departments in every possible way.

Three committees of the association were instructed to "study sympathetically and assist in every possible way with the problems of the organizations representing commercial travellers."

Long View Advertising Found Most Effective

"Since the war began, advertising has been used more extensively than ever before in history to further the mobilization of nations at war," says C. T. Pearce, president of A. McKim Ltd., in his foreword to McKim's Directory of Canadian Publications for 1942.

Canadian governmental and other agencies, he declares, have employed advertising to explain new taxes and regulations, to raise money and to invoke the patriotism and determination of the Canadian people.

In its normal sphere of promoting the distribution of goods and services, Mr. Pearce sees advertising facing new problems. He believes advertising which takes the long view is the most effective. While no one can tell what changes the war will bring, he sees an increasing need for keeping goods and services before the public eye. Far-seeing advertisers, he declares, have learned from experience the advantage of building goodwill by consistent advertising.

The current edition of McKim's Directory (the 35th), like preceding issues put out by this 53 year old advertising agency, is a gazeteer of Canadian provinces, towns and publications. These are arranged alphabetically and geographically to give a maximum of convenience in reference. Published in cloth the price is $3.00.

Wants Free Trade And Same Money

(Continued from page 1)

British orders for aircraft, aircraft engines, tanks, guns and ships which, while dwarfed by the figures of 1942, did, in early 1940, themselves outmeasure any programme at that time.

"Up to this time, the U. S. has appropriated $178 billions for war expenditure, most of which has already been contracted for. In the very near future there will be added another $50 billions. The greater part of this will be spent and transformed into finished military stores or services by the end of 1942."

Shipping Adequate

While admitting that the shipping situation was very critical, Mr. Taylor said that the real situation was not as bad as often supposed.

He explained that shipments of food and raw materials comprise 80% of present flow and finished war products only 20%. Mr. Taylor pointed out that the U. K. and other parts of the Empire have sizeable accumulated stocks of raw materials and food and at times of particular stringency such shipments can be held up and available tonnage diverted to finished war products. It is inconceivable that ships cannot always be found to transport tanks, aircraft and all other manner of military equipment."

"While there is at this moment a very great shortage of certain critical materials, it is encouraging to note that notwithstanding the gigantic extent of the programme, that when civilian consumption in the U. S. is really curtailed and when the machinery to allocate supplies is perfected and the fullest use made of satisfactory substitutes, the shortages will not be as serious as one would believe them to be at present."

Battle Nearly Won

"The battle of production is virtually won. The production in the United Kingdom is amazing. It was thought several months ago that it was at the peak, but every month produces larger figures, notwithstanding the fact that the supply of labor, numerically, practically dried up some time ago.

"The United States is becoming the principal source of supply. The value of production expressed in dollars has doubled in the last six months, quadrupled in the last year and is now running at the rate of $4 billions a month. It will be upwards of $6 billions per month by the end of the year.

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
Inter-C. Bak.	†5½%	1948	July 1	101½
Star St. Ldry.	‡6½%	1943	July 15	101
Paton Mfg.	‡4½%	1956	Sept. 1	103
Ham. By-Prod.	*5%	1955	June 29	102.80

†$97,000. ‡$12,500 *$62,000.

This week The Financial Post asks —

Would you favor Newfoundland accepting if Canada were to invite her to become tenth province of confederation?

All replying to The Financial Post's question this week are residents of Newfoundland, outstanding figures in the life of the island. Last week, The Post put the same question to a group of Canadians and men born in Newfoundland, now resident in Canada.

Last week, of the 26 Canadian opinions published, 17 were forthright "yes" opinions; nine were against or qualified their replies.

This week, of 14 Newfoundland opinions published, 10 are pretty definite "no" opinions; four are extensively qualified.

James Ayre

St. John's. Ayre & Sons,, Ltd.

Most emphatically NO.

* * *

Rev. Dr. A. T. Barr,

St. John's. Pastor, Knox Presbyterian Church.

An invitation to Newfoundland to enter Confederation would be quite acceptable if guarantees were offered that the conditions which existed in the Maritimes during the depression years would not be duplicated in Newfoundland, and that revenues from the ancient colony would not tend toward the building up of a greater Canada at the expense of the one-time sister Dominion. In the inevitable regrouping after the war, Newfoundland must reconsider her position. At present your question is a live one, but cannot be answered yet without qualification.

* * *

Eric A. Bowring

St. John's. Bowring Bros., one of the largest enterprises on the island. Has divided his time between St. John's and Liverpool, Eng. Is now Newfoundland representative U. K. Ministry of War Transport.

Population of Newfoundland practically is 100% descended from United Kingdom stock. Sentimental ties to "Home," therefore, fundamentally strong. Such ties substantially strengthened by Old Country's sympathetic attitude and helping hand when oldest colony sorely in need of assistance. On the contrary, Canada has never shown in any way what she would offer, with any invitation to become the tenth province of the confederation, terms which would tempt Newfoundland to give up hope of again becoming a self-governing Dominion. Strategically, Canada can always count on Newfoundland being part of the Dominion to use what of her is considered necessary.

* * *

Thos. W. Collingwood

St. John's. Of the firm Baine, Johnston & Co. Ltd., importers, shipowners and general merchants.

I have given some thought to the question of confederation, and my answer is emphatically "No." In the event of our joining with Canada I believe that it would be a case whereby Canada would gain all and Newfoundland little or nothing. I am convinced that Newfoundland would have the best chances of prospering only when our own government is returned to us, which I hope will be soon.

In any case, it is futile to discuss confederation without knowledge of the terms that Canada would propose, and what their effect would be on the economic and social security of the people of Newfoundland.

* * *

P. F. Halley

St. John's. Director Halley & Co. Ltd., importers and manufacturers' representatives.

In the negative, as I cannot satisfy myself that such union could or would tend to the betterment of our economic future.

Canada, having ample natural resources of the same type this country possesses, can offer no market for the products of Newfoundland.

The prewar balance of trade was at least four to one in Canada's favor. Today the Dominion's exports to Newfoundland must be reaching an all-time high while I doubt very much whether our sales to Canada show a one per cent unit increase.

Newfoundland's economic salvation depends upon our tying up with a country needing our resources as much as we need what that country produces, a country with whom our balance of trade would at least be at par, if not in our favor.

Such a country, as figures readily prove, is not Canada!

* * *

Hon. Harold Macpherson

Manager the Royal Stores.

I vote against Newfoundland confederating. Read the long, depressed experience of the maritimes. Newfoundland could become financially independent continually if the English commissioners would work as hard for Newfoundland as they are doing for England.

Forty million dollars of our one one hundred million indebtedness is accounted for in equipping and maintaining the Royal Newfoundland Regiment, 1914-1918.

Newfoundland's fisheries, mines, forests might be further developed without county, provincial or federation interference playing one major issue against another, often at that other's expense. Heretofore her independence has been one of the greatest assets; in future, this independence may be her economic salvation.

* * *

H. G. R. Mews

St. John's. Well-known life insurance executive.

Political and economic progress should be the underlying reasons for confederation. In my opinion Newfoundland would achieve neither by becoming part of Canada. In the absence of any definite terms, I submit that there is no mutually beneficial basis for confederation.

Canada does not require more territory, neither does she need our primary products. Newfoundland on the other hand would benefit greatly by a closer economic relationship with the United States of America.

Politically, Canada does not impress one favorably at the present time. Her truly great war effort appears to be in spite of, rather than because of, vigorous and enlightened political leadership.

* * *

J. T. Meaney

St. John's. City councillor.

Your question cannot be answered by an unqualified and decided "yes" or "no."

A decision on the question can be reached only after negotiations of a comprehensive nature, which will clearly define the terms of union, and produce conclusive and convincing evidence that union with the Dominion as its tenth province will be to our advantage socially, economically and politically.

Only after the terms and conditions agreed upon have been submitted to popular vote by referendum can the issue be intelligently discussed and definitely decided.

The main problems which will confront the negotiators are the adjustment of our public debt, the system of taxation to be applied to conditions greatly dissimilar to those of any of the provinces now comprising the Dominion, and the school system. These problems solved to our advantage, my vote would be "YES."

* * *

Frank McNamara

St. John's. Wholesale provision merchant.

This is a very debatable question, and without the "terms" being known it would be impossible to give an intelligent answer to your enquiry.

* * *

Herbert Outerbridge

St. John's. Director Harvey & Co. Ltd., shipping agents.

I am opposed to confederation with Canada.

Over 99% of our population is descended from the British Isles and we have strong sentimental ties and loyalty to the Mother Country.

If we wished to surrender our freedom of action it would be far more advantageous to be incorporated in the U. S. A. and enjoy its huge market for our products. Canada has a considerable export trade with us, but she imports very little and is a rival in the fish trade.

Canada has seldom shown any generosity toward us. Confederation was discussed in 1864 and the terms offered were so unfavorable that they could not be entertained.

In 1891 a reciprocal trading agreement, known as the Bond-Blaine Treaty, was concluded with the United States and it would have been greatly to our advantage. Canada opposed its ratification by the British Government and it was withdrawn.

In 1924 Canada claimed and tried to obtain the greater part of Newfoundland Labrador.

In 1933 our government was in danger of defaulting on its bond interest and had its back to the wall. Canada showed no inclination for confederation and the British government most generously came to our aid.

At the present moment we are denied the facilities of the Canadian government steamers for our exports to the West Indies.

Under local government we import from the cheapest markets on equal terms. Under confederation there would be tariff discrimination in favor of Canada at our expense.

Apart from this I do not see what advantages would accrue to Canada that she does not already enjoy.

The maritime provinces do not always seem particularly happy under confederation.

I favor the closest and most friendly co-operation with Canada, but confederate NO.

* * *

C.N.R. VICE-PRESIDENT

Formerly general manager of the western region of the Canadian National Railways, with headquarters at Winnipeg, W. R. Devenish has been named a vice-president of the C. N. R. He continues as general manager of the western region.

J. J. Parker

St. John's. Parker & Monroe, Ltd., manufacturers of boots and shoes.

Decidedly NO.

* * *

Oliver L. Vardy

St. John's. Radio commentator, editor, Fishermen-Workers Tribune, member municipal council.

Before Newfoundland could possibly give any consideration to such an invitation, it would be essential that she be given control of her own affairs as provided in paragraph three of the Atlantic Charter. Once that were done, Newfoundland would be in a position to discuss such a question in an intelligent manner. Under present circumstances such is impossible.

It is generally agreed that there has to be some change in the present system of operation and also that Newfoundland's future lies in a closer association with the countries of the New World.

What Newfoundland would probably prefer would be to become part of a North American Federation that would enable the natural resources of this country to be developed for the mutual advantage of all concerned. As for myself, the question of whether I would be in favor of Newfoundland's accepting such an invitation, were it to be presented tomorrow, would depend largely upon the terms and conditions involved.

* * *

G. R. Williams, M.B.E.

Managing director, Rothwell & Bowring, Ltd. Former president Newfoundland Board of Trade.

Certainly, yes, as a contribution toward the consolidation of the British Empire, provided Newfoundland receives an equitable and just settlement. Yes, to avoid future disputes between our Canadian neighbors and ourselves, so we can live and work alongside each other in peace, harmony and goodwill.

The Canada of the past, however, has not treated Newfoundland with equitable consideration of the value of her importance and potential assets. Newfoundland demonstrated proof of this before the Privy Council of England which upheld the rights denied to her by Canada's government.

In 1894 scanty consideration was shown to Newfoundland's delegates at Ottawa discussing terms of confederation at the time Newfoundland was financially embarrassed, because of a succession of poor fisheries that ruined the mercantile community as well as the two local banks. Canada has lost golden opportunities in past years to round off the Dominion by the acquisition of Newfoundland because of the shortsightedness of her statesmen.

I believe the majority of Newfoundlanders are opposed to confederation with Canada because of Canada's actions in the past. To overcome this Canada will have to cultivate a more friendly feeling, and be more than generous to acquire the colony today. Newfoundlanders have a strong desire to be independent and manage their own country's affairs.

Unless a most generous offer is made, Newfoundlanders will much prefer—now that the Labrador boundary is settled — and the island is enjoying prosperity, to look forward to manage their own business and establish their parliament once more in the years to come.

* * *

Confederation Poll

Editorial Daily News, St. John's, Nfld., June 1, 1942

A number of readers have brought to our attention a letter received from the news editor of The Financial Post of Toronto in which they have been asked for an answer to the question: "Would you favor Newfoundland accepting if Canada were to invite her to become the tenth province of the confederation?"

There is no reason at all why, as a matter of academic interest the Canadian paper should not conduct a poll of this kind among a small, selected list of Newfoundland citizens. The collective opinion that will be expressed, judging from the reactions of those recipients of the letter who have called our attention to it, should be instructive.

Of course, the problem of confederation should be essentially regarded in the light of the welfare of the great mass of the Newfoundland people. On the other hand, there has never yet been anything to justify the belief that terms would be offered of so generous a nature as to leave no doubt that our people would benefit substantially from submerging their national identity in that of their neighboring Dominion.

It is, in fact, impossible to ignore the rising tide of Newfoundland nationalism which seems emphatically to prefer that the destiny of the Island be worked out through restoration of the status of a self-governing dominion of the British Empire.

Your Property Needs Management

PROPERTY protection and management is very important today to owners of real estate. Let our experienced officers help you to manage yours.

Crown Trust Company

Executors ✠ Trustees ✠ Financial Agents

MONTREAL
393 St. James Street

TORONTO
80 King Street West

Let us serve you and your family

MacNicol Urges Newfoundland Join Canada

John R. MacNicol, M.P., has for years been particularly interested in Newfoundland. His comment was invited last week. Mr. MacNicol now cites a paragraph from his speech to the House of Commons, May 6, 1941.

For some 1,300 miles across the front of our country, across our Atlantic seaboard, Newfoundland's domain, including Labrador, stretches right across our great artery of commerce, the Gulf of St. Lawrence.

It is an extremely important question to Canada what the future of Newfoundland will be. It is of great importance to Canada, particularly from the point of view of our defense; and, similarly, we are of importance to the defense of Newfoundland.

The defenses of the two countries are intertwined; one can scarcely exist without the other. Having in mind what the war has revealed, and also facts and figures which I compiled after an exhaustive survey in that land, from one end to the other, covering a considerable period of time, I am of the opinion that, taking everything into consideration, the time has come, and I hope now is, when the Canadian government should again consider approaching Newfoundland with a view of incorporating it into Canada as a tenth province.

RESEARCH

and LABORATORY CONTROL

make

WHITE ROSE INDUSTRIAL LUBRICANTS

"The PICK of them all!"

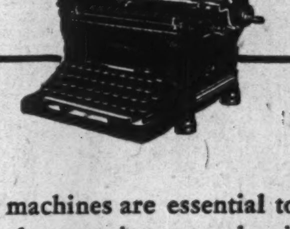
CANADIAN OIL COMPANIES, LIMITED

HEAD OFFICE: TORONTO—EXECUTIVE OFFICE: MONTREAL—DIVISIONAL OFFICES: MONCTON, MONTREAL, OTTAWA, TORONTO, NORTH BAY, LONDON, WINNIPEG, CALGARY — REFINERY: PETROLIA, ONT.

NEW GOVERNMENT

TYPEWRITER REGULATIONS

—and what they mean to Underwood users!



BECAUSE writing machines are essential to industrialized total war, rationing of typewriters was inevitable. All new and recent model, factory rebuilt, office-size machines *had* to be conserved for the vital needs of the United Nations' war production.

Underwood Elliott Fisher accordingly applauds the new regulations which went into effect June 1st. It pledges the sincerity and vigilance of its Dominion-wide sales, service and supply organization to the regulations' whole-hearted observance and rigid enforcement.

What the regulations mean:

1. Only governmental and military establishments, essential or semi-essential industries, may buy new Underwoods or recent model, factory rebuilt Underwoods;
2. Anyone may rent new office-size Underwoods or recent model, factory rebuilt Underwoods, subject to repossession should they be required for Government use;
3. Anyone may buy older model, factory rebuilt Underwoods;
4. Anyone may buy new Portable Underwoods within the limit of production restrictions;
5. And of course no limitations whatsoever have been imposed upon Underwood Elliott Fisher's coast-to-coast maintenance service which, in fact, now becomes all the more important to the preservation of your present Underwoods.

Whatever your typewriter requirements, Underwood Elliott Fisher is confident it can fill them satisfactorily within the strictest observance of both the letter and the spirit of the new regulations.

It will welcome your inquiry as to how that may best be done.

UNDERWOOD TYPEWRITERS

Built in Canada by
UNDERWOOD ELLIOTT FISHER LIMITED
Joseph L. Seitz, President
TORONTO
Branches in all Canadian cities

CANADA'S *7-OUT-OF-10 TYPEWRITER CHOICE

Taxes Consuming Industry's Cash

Working Capital Well Above 1939 But Real Liquidity Seems Weakened

By ARTHUR D. ELLWOOD

Total working capital reported by 135 companies in their latest annual reports was 29% higher than that shown for 1939 and 17% greater than at the end of 1940, a study made by The Financial Post shows.

Reflecting substantially greater volume of business which brought a gain of less than 3% in net profits (Financial Post, May 30), net working capital (current assets less current liabilities) of this large and representative group rose from $454.7 millions in 1939 to $500.5 millions in 1940 and finally to $586 millions in the latest year.

EIGHT GROUPS UP—THREE DOWN
Percentage Change in Working Capital

	1941 over 1940 %	1941 over 1939 %
Iron & steel	+11.5	+13.8
Merchandising	—1.1	—1.4
Beverages	+6.9	+4.3
Construction	—1.0	—12.3
Foodstuffs	+8.8	+3.5
Metals	+46.3	+79.0
Miscellaneous	+4.2	+3.4
Oil refining	+18.2	+22.0
Public Utilities	—13.0	—9.5
Textiles	—15.4	+17.3
Totals	+17.1	+28.9

The rise in working capital for the two-year period is somewhat greater than the gain of 25.3% shown in The Financial Post's business index. In the latest year, working capital's gain of 17% is well above that of the business index with 9%.

Impressive as they are, these figures do not give the whole answer.

Cash Up 49%

Cash and equivalent items such as holdings of government bonds and other investments included in current assets by the companies reporting rose 37.35% in 1941 and 49.36% as compared with 1939. This gain is well above that shown by working capital itself and would suggest that real liquid position was rising faster than the volume of business, faster than the actual requirements of the various companies.

But this indication in itself is not enough. Bank loans, for example, must be considered. When looking at the liquid position of business in the aggregate, the amounts due to banks can be deducted from cash to show in a better way just how much real liquid assets business can command.

Loans and Taxes

From the detailed figures given here, bank loans have also risen in the past two years. Since 1939 they are up just under 50%. These 135 companies owed the banks $22.3 millions in 1939; by the end of 1941 their debt to the banks had risen to $33.4 millions. From the end of 1940 to the end of 1941, the gain was slower, being equivalent to only 15.06%.

Finally there is the all-important item of income taxes, probably the largest single item of cash outgo for many companies. The study published in The Post on May 30 showed that this same group of companies—the banks are not included in the current study—set aside $177.9 millions for income and excess profits taxes in 1941, $115.4 millions in 1940 and $45.6 millions in 1939.

Taking this as an indicator of the drain on cash which tax payments require, very different results are obtained than if cash items and bank loans alone are studied.

Cash After Taxes Drops

So great has been the demand for taxes—a major cash payment —that total cash, less bank loans and tax provisions in 1941, is actually 22.16% less than at the end of 1939. As compared with the end of 1940 there is a gain of 22.77%.

This remarkable showing may indicate that all is not well on the corporate front in this war. It may suggest that demands on cash are outstripping cash realizations. It may mean that ability of companies to carry on after the war is being weakened. It may add an important amount to the inevitable difficulties of the shift back from war to peace when this once again becomes possible.

HOW THE BREAKDOWN LOOKS

	1941 over 1940 %	1941 over 1939 %
Cash, etc.	+37.35	+49.36
Cash, less bank loans	+40.41	+49.34
Cash, less bank loans and tax provision	+22.77	—22.16
Inventories	+18.02	+47.47
Bank loans	+15.06	+50.06
Working capital	+17.06	+28.27

Encouragement can be seen, however, in the fact that last year the real net cash balance as indicated by deducting bank loans and tax provisions from cash and equivalent items seemed to be winning the race. It may be that the first full year of war saw the worst of the blow and that cash realizations from now on will hold their own in better style. But it must be emphasized that these figures indicate one possible danger and a chance of mis-interpretation if liabilities that must be met in cash are not watched in close relationship to ostensible cash holdings.

Inventories Rise Fast

There is another important item in current assets that needs watching. Inventories were the cause of the downfall of more companies following the last war than any single cause. Prices dropped precipitously at a time when inventories had been expanded to care for the demands of the preliminary post-war boom. The result was bankruptcy for hundreds of businesses.

This time we have what we confidently hope will prove a much more effective mechanism for controlling prices. If we prevent prices from rising too high the chances of losses through decline appear less. Moreover, we may be able to cushion any necessary adjustments.

Inventories have risen since the war started at a rate faster than that for working capital as a whole but less rapidly than cash and equivalent before any of the adjustments mentioned above have been made. As compared with 1939, total inventories reported by this major group of companies were up 47.47%; compared with the end of 1940, the rise is just over 18%.

The study would seem to suggest that business has its inventory problem quite well in hand but that demands on cash resources threaten to get ahead of available supply. It suggests that these trends have not gone far enough as yet to be a serious threat but that they are in fact a real potential cause for disturbance.

Cash is Concentrated

Coming down to individual cases, it is seen that two groups of companies—metals and oil refiners—had no bank loan at the end of 1941. The three metal companies, moreover, had by far the largest store of cash of any group, reporting roughly 43% of the total. Iron and steel is next with over 14% of the total. These two groups, including only 35 out of the 135 total, together account for almost 60% of the total cash.

It is true that these groups include companies which are participating most actively and most directly in the war effort. But there is a suggestion here of maldistribution but maldistribution that places the metals and iron and steel companies in a favorable position.

Only one group, foodstuffs, shows a decline in cash over the latest year. But taking 1941 as compared with 1939 two others—iron and steel and public utilities also show decline in cash holdings.

Merchandising companies reported higher inventories at the end of 1941 than at the end of 1939 but 1941's total is less than that of 1940.

Working Capital Break-down — By Industries

	1941 Cash, etc. $	1941 Inventories $	1941 Working Capital $	1941 Bank Loans $	1940 Cash, etc. $	1940 Inventories $	1940 Working Capital $	1940 Bank Loans $	1939 Cash, etc. $	1939 Inventories $	1939 Working Capital $	1939 Bank Loans $
Iron and steel	47,403,078	102,246,638	111,842,473	3,779,628	43,049,619	71,679,160	100,284,694	3,644,532	49,959,437	59,157,823	98,280,585	1,505,897
Merchandising	4,457,438	21,321,591	20,465,638	4,693,754	3,968,715	26,278,438	20,701,282	2,752,368	3,562,363	15,512,528	20,747,809	2,628,003
Beverages	4,048,745	6,744,660	13,942,941	376,331	3,724,526	5,003,649	13,047,175	468,507	3,804,626	4,243,324	13,370,551	101,853
Construction	2,879,822	2,930,308	5,486,287	100,000	2,355,958	3,182,000	5,541,750	100,000	2,801,504	2,742,508	6,257,064	....
Foodstuffs	2,598,405	5,432,636	7,063,958	611,222	2,701,238	4,076,595	6,495,462	325,000	3,096,517	3,792,405	6,829,015	168,000
Metals	169,610,856	72,277,168	176,048,760	....	84,903,611	61,226,287	120,313,427	313,713	57,341,755	48,274,819	98,357,810	1,087,401
Oil refining	28,232,616	59,683,432	78,328,808	....	18,257,807	54,363,536	66,289,870	250,000	18,378,664	46,312,351	64,216,770	295,000
Public utilities	36,721,867	12,239,761	23,556,004	110,007	35,501,333	10,181,934	27,057,276	....	42,486,081	8,558,384	26,037,744	100,000
Pulp and paper	20,660,691	42,881,363	60,668,446	680,000	12,375,412	39,456,414	49,230,045	1,168,000	6,113,251	34,991,041	38,305,438	4,306,150
Textiles	11,985,345	22,157,642	29,541,486	2,571,360	10,711,244	21,219,002	34,909,622	4,043,599	8,658,671	15,708,671	25,178,075	1,993,232
Miscellaneous	2,865,194	68,142,068	59,024,192	20,500,928	23,494,205	55,839,294	56,666,571	15,981,384	25,460,565	42,825,635	57,106,020	10,086,670
Grand Total	331,091,057	416,057,287	585,965,993	33,423,230	241,043,668	352,506,309	500,537,174	29,047,103	221,663,434	282,119,489	454,686,881	22,272,206

PUBLIC UTILITIES	1941 Cash, etc. $	1941 Inventories $	1941 Working Capital $	1940 Cash, etc. $	1940 Inventories $	1940 Working Capital $	1939 Cash, etc. $	1939 Inventories $	1939 Working Capital $
Bell Telephone Co. of Canada	1,626,944	4,313,105	*668,576	1,669,982	3,919,518	930,537	15,968,418	3,299,263	1,144,056
Calgary Power Co., Ltd.	75,161	255,940	*803,953	1,061,648	200,980	1,078,575	458,999	199,045	581,811
Canada Northern Power Corp.	1,647,030	274,311	2,678,528	2,764,528	241,482	2,638,318	2,700,951	254,085	2,816,361
Canadian Light & Power Co.	180,807	11,734	609,384	66,461	10,087	531,500	158,187	10,344	529,703
Canadian Marconi Co.	26,601	2,428,282	2,072,429	28,593	1,241,064	1,947,667	382,508	763,561	1,866,920
Gatineau Power Co.	3,122,979	230,149	*8,791	2,568,917	217,411	*313,326	2,265,987	226,581	129,936
Maritime Tel. & Telephone	1,058,190	348,393	1,010,437	205,376	235,649	203,437	135,789	207,913	260,112
Montreal Light, Heat & Power	12,063,292	604,893	4,568,278	11,604,620	609,891	4,794,097	13,397,040	368,813	8,757,598
N. S. Light & Power Co.	125,178	206,462	*694,204	92,115	150,311	*136,268	58,004	146,881	234,553
Ottawa Electric Railway Co.	828,725	177,662	474,865	635,464	116,225	419,013	381,574	106,407	326,289
Ottawa Lt., Heat & Pwr. Co.	401,536	119,907	357,624	345,354	63,240	256,658	399,262	83,216	468,593
Provincial Transport Co.	281,942	188,814	186,805	302,833	97,337	258,395	142,435	88,352	159,871
Quebec Power Co.	788,581	373,427	641,919	398,049	339,713	582,167	225,384	319,566	565,675
Que. Telephone & Pwr. Corp.	7,571	34,048	54,076	6,735	28,237	53,190	15,554	26,184	70,765
Saguenay Power Co., Ltd.	1,471,399	114,719	203,449	1,315,123	89,897	*19,651	1,120,921	75,930	128,852
Shawinigan Water & Power Co.	6,709,876	1,337,068	4,039,711	8,427,834	1,339,453	6,777,893	2,444,985	1,144,654	1,840,362
W. Kootenay Pwr. & Lt. Co.	4,704,246	513,959	2,989,906	3,023,743	629,759	3,654,517	924,789	536,131	4,669,801
Winnipeg Electric Co.	1,601,809	706,908	1,993,169	1,983,958	651,680	2,462,067	1,305,294	701,458	1,486,486
Total	36,721,867	12,239,761	23,556,004	35,501,333	10,181,934	27,057,276	42,486,081	8,558,384	26,037,744
OIL REFINING									
British American Oil Co., Ltd.	3,583,484	9,919,484	11,750,053	1,831,344	10,982,278	12,260,563	1,978,670	10,171,081	12,710,988
Canadian Oil Companies Ltd.	233,563	2,640,065	2,543,009	234,022	2,124,054	2,306,884	278,718	1,817,279	1,140,548
Imperial Oil, Ltd.	23,898,995	37,308,872	56,767,379	15,728,558	33,390,416	45,061,924	15,619,045	27,397,232	43,959,296
McColl-Front. Oil Co. Ltd.	359 426	8,727,539	7,182,537	416,188	6,677,589	6,552,820	414,743	5,763,165	6,211,216
North Star Oil Ltd.	157 148	1,067,472	85,830	47,695	1,189,199	*107,679	87,488	1,163,594	194,722
Total	28,232,616	59,683,432	78,328,808	18,257,807	54,363,536	66,289,870	18,378,664	46,312,351	64,216,770
BEVERAGES									
Assoc. Breweries of Canada	1,372,080	505,854	1,391,678	1,236,411	384,272	1,248,999	768,118	316,908	1,049,659
Blue Top Brewing Co. Ltd.	2,129	178,078	91,331	84,880	118,709	96,330	75,149	99,173	157,537
Melchers Distilleries Ltd.	18,015	868,667	672,218	25,469	640,251	646,525	6,635	589,364	587,136
National Breweries Ltd.	1,064,172	2,317,071	7,518,087	506,628	1,476,205	7,225,487	710,448	1,315,612	7,151,000
Orange Crush, Ltd.	33,907	51,088	*80,381	59,672	320,084	*4,927	86,852	25,721	93,004
Walkerville Brewery Ltd.	131,255	233,452	374,244	165,982	217,151	383,808	139,436	202,110	392,185
Canada Malting Co. Ltd.	1,427,187	2,590,450	3,815,002	1,645,454	1,866,977	3,441,099	2,017,988	1,694,436	3,950,030
Total	4,048,745	6,744,660	13,942,941	3,724,526	5,003,649	13,047,175	3,804,626	4,243,324	13,370,551
CONSTRUCTION									
Building Products Ltd.	1,374,328	701,539	1,764,904	1,160,944	624,940	1,788,121	1,341,766	547,667	1,955,189
Candn. Dredge & Dock Co. Ltd.	645,484	17,067	726,906	613,085	26,704	723,356	674,850	22,563	790,819
Conduits National Co. Ltd.	278,126	222,306	377,670	189,676	193,978	321,926	197,814	114,486	312,204
Dom. Tar & Chem. Co. Ltd.	439,331	1,814,042	2,385,920	304,246	2,156,735	2,399,147	567,145	1,845,821	2,938,811
Standard Clay Products Ltd.	142,553	175,354	330,887	88,007	179,643	309,204	19,929	211,971	260,041
Total	2,879,822	2,930,308	5,486,287	2,355,958	3,182,000	5,541,750	2,801,504	2,742,508	6,257,064
FOODSTUFFS									
Barker's Bread Ltd.	54,209	104,160	19,306	44,166	78,034	*8,556	56,565	79,605	23,050
Canada Starch Co. Ltd.	15,589	1,990,159	1,674,415	106,438	1,524,233	1,607,234	294,216	1,238,418	1,632,928
Consol. Bakeries of Can. Ltd.	1,543,745	329,768	1,512,848	1,579,659	205,473	1,439,126	1,478,331	204,665	1,477,326
Inter City Baking Co. Ltd.	558,767	112,806	516,941	493,149	79,300	442,564	419,761	91,294	392,197
Viau Ltd.	68,808	236,679	354,927	57,745	216,414	232,789	217,645	203,494	471,355
George Weston, Ltd.	170,221	1,888,322	1,536,801	109,716	1,329,352	1,317,756	94,565	1,439,250	1,389,255
Wilsil Ltd.	187,066	770,742	1,448,720	310,365	643,789	1,447,437	535,434	615,284	1,442,904
Total	2,598,405	5,432,636	7,063,958	2,701,238	4,076,595	6,495,462	3,096,517	3,792,405	6,829,015
IRON AND STEEL									
Amalgamated Elec. Corp. Ltd.	35,563	869,401	692,470	581,127	724,024	693,790	227,705	369,392	624,772
Beath, W. D., & Son, Ltd.	367,606	274,187	526,329	204,499	192,293	426,479	99,250	184,583	309,448
Bertram & Sons	466,091	3,832,561	1,002,559	753,913	3,065,258	799,458	......	......	......
Burlington Steel Co. Ltd.	352,283	697,020	1,036,019	226,488	647,501	934,552	227,454	578,123	872,544
Canada Cycle & Motor Co. Ltd.	949,815	999,729	1,891,343	595,987	1,247,382	1,790,798	808,794	840,143	1,886,502
Canada Foundries & Forg., Ltd.	42,907	731,346	610,640	11,670	583,503	451,375	2,690	405,636	422,605
Canada Iron Foundries, Ltd.	79,177	1,528,722	1,380,119	516,292	908,238	1,454,733	528,716	863,184	1,335,428
Canada Wire & Cable Co. Ltd.	1,518,192	3,287,353	4,437,848	1,129,605	2,776,581	3,823,354	1,212,174	1,855,476	3,453,897
Canadian Bronze Co. Ltd.	244,681	559,054	780,905	204,075	465,349	687,184	293,895	385,913	717,291
Canadian Canners Ltd.	1,349,006	6,145,172	6,551,152	1,506,810	4,437,835	6,078,241	271,682	4,742,877	5,928,280
Can. Fairbanks-Morse Co. Ltd.	667,813	2,024,133	3,367,519	767,054	1,148,105	2,880,280	816,943	1,196,051	2,850,137
Canadian General Elec. Co. Ltd.	13,372,417	12,297,350	17,197,801	12,432,393	9,908,481	16,126,608	9,792,906	6,030,932	15,235,734
Canadian Locomotive Co. Ltd.	12,427	1,957,931	1,043,447	503,435	289,525	705,942	240,627	851,659	608,475
Canadian Westinghouse Co. Ltd.	7,929,667	8,750,578	10,165,086	7,249,674	6,153,341	10,193,021	5,567,876	4,553,209	10,062,875
Disher Stl. Construct'n. Co. Ltd.	110,086	91,380	178,329	14,839	120,476	172,057	36,370	57,409	149,749
Dom. Engineering Works Ltd.	1,253,466	1,103,691	2,568,178	848,512	1,182,114	1,696,822	851,863	705,743	1,406,693
Dom. Foundries & Steel Ltd.	1,222,277	2,349,997	2,748,281	4,315	2,196,550	1,304,211	1,114,914	1,397,915	2,135,800
Easy Washing Machine Co. Ltd.	3,132	236,748	195,778	11,650	161,794	174,044	10,264	142,530	176,928
Enamel & Heating Products Ltd.	1,125	415,720	22,856	1,538	266,911	*35,107	1,673	259,528	*75,537
English Electric Co. of Can. Ltd.	346,791	1,204,332	1,276,397	498,742	639,778	1,053,252	573,632	341,826	994,482
Ford Motor Co. of Canada Ltd.	1,239,106	27,238,529	17,372,962	3,126,620	12,366,939	15,724,812	9,225,890	5,819,606	16,184,644
General Steel Wares, Ltd.	184,616	4,153,558	4,473,617	236,277	3,602,935	4,383,400	399,204	3,348,619	4,240,597
Hamilton Bridge Co. Ltd.	31,390	1,236,078	559,585	56,041	894,668	637,033	10,554	518,432	319,931
Internat'l. Metal Industries Ltd.	1,835,920	3,593,854	4,549,684	1,626,091	3,027,226	4,591,031	1,804,745	2,307,250	4,709,127
Mitchell, Robert, Co. Ltd.	340,220	1,418,343	631,252	51,971	621,145	563,705	75,823	180,487	367,871
Modern Containers Ltd.	257,418	129,463	357,690	192,217	171,949	325,740	206,198	112,472	339,761
Ottawa Car & Aircraft Ltd.	1,246	828,378	251,926	1,098	297,670	37,231	250	287,500	45,354
Page-Hersey Tubes Ltd.	4,625,346	3,188,843	7,009,243	3,311,863	3,313,412	6,636,488	4,116,464	2,909,330	6,455,132
Sangamo Co. Ltd.	11,742	812,827	721,125	74,155	630,812	586,275	220,156	419,639	634,981
Sarnia Bridge Co. Ltd.	24,269	213,773	170,864	1,358	182,831	151,364	691	127,923	133,913
Steel Co. of Canada Ltd.	8,527,283	10,076,587	17,771,471	6,836,310	9,454,534	15,165,807	11,193,033	17,355,436	15,602,097
Total	47,403,078	102,246,638	111,842,473	43,049,619	71,679,160	100,284,694	49,959,437	59,157,823	98,280,585
MERCHANDISING									
Dominion Stores Ltd.	911,307	1,905,280	2,048,010	837,435	11,730,789	2,156,525	875,591	1,377,470	2,041,863
Fanny Farmer Candy Shops, Inc.	1,550,739	846,741	1,315,290	1,379,032	407,068	1,241,123	1,427,235	340,057	1,396,057
Freiman, A. J., Ltd.	55,751	797,741	1,000,981	30,153	543,579	941,376	5,298	549,818	861,295
Great West Saddlery Co. Ltd.	6,977	1,058,233	918,075	5,420	737,269	912,764	3,216	856,328	911,882
Holt, Renfrew & Co.	40,469	692,258	950,920	29,122	752,743	827,790	25,572	775,773	785,115
Legare Co. Ltd., The	52,009	996,064	981,326	16,432	13,610	878,156	27,888	465,678	805,015
Lindsay, C. W., & Co., Ltd.	72,067	293,670	884,249	49,605	139,408	819,003	79,850	132,477	821,310
Simpsons Ltd.	151,550	12,047,422	9,895,198	139,025	8,439,483	8,879,352	109,141	7,567,079	9,252,929
Stedman Bros. Ltd.	408,477	840,620	1,378,500	356,158	750,776	1,234,890	319,370	711,590	1,127,909
Tamblyn, G., Ltd.	270,564	1,000,009	715,933	257,881	959,244	733,944	268,672	844,257	772,671
Western Grocers Ltd.	41,956	1,969,695	1,584,955	100,409	1,225,268	1,195,581	54,817	1,358,794	1,325,382
Zellers' Ltd.	895,602	779,509	840,211	768,043	579,201	880,778	265,713	533,207	646,381
Total	4,457,438	21,321,591	20,465,638	3,968,715	26,278,438	20,701,282	3,562,363	15,512,528	20,747,809
METALS									
Aluminum Co. of Canada Ltd.	58,290,818	31,418,555	71,925,127	18,688,202	22,619,095	31,608,819	7,473,701	12,529,951	21,302,585
Consol. Mining & Smelting Co.	14,868,646	6,072,813	21,166,094	7,981,877	6,104,576	13,704,628	4,130,514	5,048,723	10,535,662
Internat'l. Nickel Co. of Canada	70,631,392	34,785,800	82,957,539	58,233,732	32,502,616	74,999,980	45,737,540	30,696,145	66,519,563
Total	143,790,856	72,771,168	176,048,760	84,903,611	61,226,287	120,313,427	57,341,755	48,274,819	98,357,810
PULP AND PAPER									
Bathurst Pwr. & Paper Co. Ltd.	1,006,748	2,162,790	3,649,709	752,855	1,914,720	2,800,093	852,504	1,404,014	2,483,448
Consolidated Paper Corp. Ltd.	5,021,991	9,316,995	14,056,438	5,098,667	8,256,802	12,012,031	1,046,684	7,897,186	7,254,244
Corrugated Paper Box Co. Ltd.	125,853	197,318	459,825	71,956	222,975	407,343	48,022	188,598	339,328
Donnacona Paper Co., Ltd.	6,660	1,984,820	1,336,610	6,364	1,782,690	1,146,681	6,750	1,257,386	1,340,992
Great Lakes Paper Co., Ltd.	956,908	1,304,222	2,616,710	1,108,448	1,472,498	2,501,167	459,735	1,475,587	1,960,864
Hinde & Dauch Pap. Co. of Can.	958,939	944,916	1,746,095	448,407	959,918	1,485,610	154,904	669,007	1,252,440
Howard Smith Paper Mills Ltd.	792,246	4,120,883	4,812,944	413,303	3,806,602	3,227,659	273,019	2,623,634	3,302,489
Candn. International Paper Ltd.	10,530,075	18,235,857	24,750,727	3,925,320	16,017,320	22,213,692	3,198,464	14,490,011	17,854,549
Lake St. John Pwr. & Paper Co.	397,567	1,834,732	3,203,766	510,780	1,693,201	256,618	......	1,802,441	208,471
Rolland Paper Co., Ltd.	96,190	747,923	1,007,189	33,760	841,753	870,827	68,232	538,067	884,228
St. Lawrence Pap. Mills Co., Ltd.	767,442	2,030,907	3,028,433	5,552	2,487,935	2,308,324	4,937	2,645,110	1,424,385
Total	20,660,691	42,881,363	60,668,446	12,375,412	39,456,414	49,230,045	6,113,251	34,991,041	38,305,438
TEXTILE									
Acme Glove Works Ltd.	108,644	62,092	908,771	113,576	568,665	850,481	81,987	600,329	818,627
Canadian Celanese Ltd.	4,575,974	1,801,276	4,915,906	3,571,023	1,491,358	4,474,531	3,534,739	1,308,111	5,085,607
Canadian Cottons, Ltd.	5,011,775	2,434,515	6,865,289	5,065,620	2,242,083	6,484,683	3,853,250	1,962,414	5,518,501
Celtic Knitting Co. Ltd.	2,201	142,574	96,967	671	113,033	84,772	7,804	120,441	66,904
Cosmos Imperial Mills Ltd.	331,802	689,990	1,344,350	128,219	582,049	1,103,197	39,626	464,485	1,106,935
Dominion Woollens & Worsteds	15,640	1,304,795	929,823	143,266	1,514,978	929,823	4,508	758,123	648,327
Hamilton Cotton Co., Ltd.	158,471	1,314,879	1,142,380	395,993	684,367	996,171	151,542	529,681	821,269
Mercury Mills, Ltd.	3,772	1,147,507	904,138	144,364	1,162,464	761,792	64,357	744,279	621,902
Monarch Knitting Co., Ltd.	39,431	840,652	899,270	58,485	965,123	846,081	97,820	628,433	833,141
Montreal Cottons Ltd.	1,272,414	1,911,307	2,806,445	674,778	2,284,726	2,384,580	367,135	1,762,208	2,264,701
Penman's Ltd.	339,918	2,318,106	2,776,795	357,548	2,230,318	2,627,679	333,138	1,750,820	2,556,300
Regent Knitting Mills, Ltd.	19,944	1,311,556	1,094,565	16,282	1,095,831	982,040	11,503	747,390	841,308
Tip Top Tailors Ltd.	36,720	2,375,468	1,509,012	9,119	2,209,943	1,490,661	82,110	1,210,576	1,407,614
Tooke Bros., Ltd.	6,253	396,620	450,587	10,332	365,608	8,417,648	4,428	342,261	376,612
Woods Manufacturing Co. Ltd.	41,083	2,241,672	1,530,886	20,589	1,616,788	1,171,931	24,902	1,185,094	936,582
York Knitting Mills Ltd.	1,333	1,644,663	1,366,302	1,379	2,091,668	1,304,364	1,822	1,594,026	1,273,745
Total	11,985,345	22,157,642	29,541,486	10,711,244	21,219,002	34,909,622	8,658,671	15,708,671	25,178,075
MISCELLANEOUS									
Asbestos Corp. Ltd.	2,140,710	936,984	2,894,866	1,526,982	114,995	2,427,378	896,461	984,498	2,109,236
Ault & Wiborg Co. of Can. Ltd.	26,875	520,117	809,573	295,021	369,634	748,545	353,460	332,060	770,190
Canadian Industries Ltd.	3,730,908	10,461,584	15,247,447	4,448,633	10,175,070	14,055,648	6,953,174	8,074,231	15,756,213
Canada Steamship Lines, Ltd.	5,868,666	7,774,498	3,334,412	4,535,446	2,719,724	3,066,603	2,115,661	750,252	2,027,234
Claude Neon Light Co. of Can.	135,955	45,303	*102,452	127,256	32,063	*80,963	94,330	31,305	*56,682
Crown Cork & Seal Co., Ltd.	251,967	708,317	679,662	272,604	430,194	556,465	229,982	367,919	606,434
Crow's Nest Pass Coal Co., Ltd.	1,879,031	179,270	1,951,793	1,424,542	157,094	1,638,166	1,038,363	136,089	1,340,073
Famous Players Can. Corp. Ltd.	2,410,206	126,538	1,488,223	1,557,460	101,531	1,821,659	982,870	84,651	1,720,118
Fleet Aircraft Ltd.	......	1,724,231	1,037,876	......	1,228,444	723,324	13	730,159	274,133
Imperial Tob. Co. of Can. Ltd.	4,580,045	14,580,374	14,451,559	2,048,507	15,852,858	14,927,505	6,447,161	13,163,619	17,139,137
Intercolonial Coal Co., Ltd.	683,278	46,403	747,206	678,539	42,846	734,667	562,951	35,574	732,323
Internat'l. Bronze Powders Ltd.	1,045,657	667,258	1,172,150	544,605	969,300	1,260,609	590,739	869,567	1,304,287
Lang, John A., & Sons Ltd.	523,958	265,405	1,024,599	528,109	214,344	845,190	268,356	221,484	812,787
Langley's Ltd.	89,118	41,629	183,963	86,665	28,646	203,299	39,970	38,018	163,543
Moore Corporation Ltd.	4,093,176	4,969,305	8,376,631	4,461,137	3,237,044	7,706,788	3,885,915	2,789,088	6,951,341
Reliance Grain Co. Ltd.	175,885	21,434,416	1,317,234	110,351	16,751,784	1,886,272	70,198	10,917,781	1,192,105
Photo-Engrav. & Electrotypers	232,756	60,282	406,683	215,253	52,463	413,627	253,834	56,479	465,318
Simon, H., & Sons, Ltd.	6,249	220,236	388,105	6,278	179,195	369,613	812	162,915	356,851
Tuckett Tobacco Co., Ltd.	350,150	3,364,922	3,033,642	293,786	3,171,601	2,914,325	453,326	8,074,550	3,112,926
United Amusement Corp., Ltd.	460,604	14,966	376,116	333,031	10,464	288,708	222,989	5,396	215,089
Total	28,685,194	66,142,068	59,024,192	23,494,205	55,839,294	56,666,571	25,460,565	42,825,635	57,106,020

*Excess of current liabilities over current assets.

MANAGING DIRECTOR

Formerly of Rene-T. Leclerc, Inc., Aime Domingue has been appointed managing director of Interprovincial Credit Ltd.

South America Lacks Paper

Transport Difficulties Prevent Publishers Getting Newsprint

There is an acute shortage of newsprint in South America right now, according to Editor & Publisher, quoting the director of Bolivia's largest daily, who does not know what his paper will do when its newsprint stocks, enough for a month, are used. Lack of shipping from the United States is causing the trouble and Washington is being asked to help out by allocating more ships to South American routes.

South Americans can buy all the newsprint they want, but cannot get it home. Publishers in South America are finding some curtailment in advertising, partly due to the shipping shortage which makes imported goods hard to get.

Wood Pulp Stocks In U. S. Are Higher

Stocks of purchased wood pulp held by United States paper mills increased in April this year, marking the second successive month to show gains. As at May 1, 1942, stocks of purchased wood pulp amounted to 206,628 tons compared with 200,002 tons for April 1 and 198,549 tons for March 1, this year.

During April U. S. paper mills operated at 101.1% of capacity compared with 102.7% for March and 103.4% for February this year.

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 8	Pulp and paper 7	Milling 3	Oils 4	Textiles and clothing 10	Feed and allied prod. 12	Beverages 7	Bldg. mater. 15	Power and traction 15	Banks 8	Total utilities 19	Total co's. 95
(Base 1935-39=100)												
1929-41:*												
High	345.7	564.5	322.3	212.5	168.2	123.2	163.1	202.1	297.5	160.9	329.3	180.5
Low	68.5	49.8	63.4	46.5	76.0	76.9	67.0	71.2	60.3	84.6	65.2	63.9
1942: Monthly Figures:												
Jan.	74.3	71.9	74.5	45.9	112.8	88.7	99.2	75.1	64.4	91.1	70.4	66.8
Feb.	73.4	69.3	69.7	43.6	108.7	85.5	96.3	73.9	62.1	91.1	67.7	64.7
Mar.	69.7	66.1	70.9	41.2	104.3	75.8	92.8	74.0	62.0	89.4	67.5	62.3
Apr.	70.6	63.2	69.6	41.4	102.4	74.2	93.1	73.9	60.2	88.4	66.3	61.1
1942: Weekly Figures:												
May 7	72.4	61.8	71.4	41.9	103.6	73.9	93.1	74.7	59.6	87.7	65.9	61.1
May 14	75.1	61.6	71.4	43.2	103.7	73.6	93.4	75.9	60.1	87.4	66.1	61.8
May 21	75.0	60.1	70.1	43.6	105.1	73.5	95.6	76.2	61.2	87.4	66.8	62.6
May 28	76.4	60.9	69.1	44.1	104.8	72.9	94.7	76.0	61.8	87.2	66.9	62.5
June 4	76.2	60.7	70.1	43.8	106.6	73.2	92.3	76.0	63.0	87.3	67.5	62.7

*High and low for years from 1929 to 1941 inclusive are based on weekly figures issued by Dominion Bureau of Statistics. For 1929 to 1938 inclusive the base is 1926=100; for 1939 and subsequent years the base is 1935-39=100.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
June 9	86.36	73.32	64.43	16.64
June 8	—Holiday—			
June 6	84.91	72.31	64.13	16.72
June 5	84.63	71.07	64.02	16.65
June 4	84.46	70.87	63.47	16.52
June 3	84.73	70.33	63.16	16.43
Month ago	81.23	61.65	62.25	16.05
Year ago	87.40	99.12	60.17	17.05
High 1942	93.50	83.71	71.01	18.86
Low 1942	79.85	61.04	61.29	16.00

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Chd.	10 Pprs.	15 Golds
June 9	43.3	57.3	52.6	59.32	45.85
June 8	—Holiday—				
June 6	43.1	57.0	52.3	57.79	44.25
June 5	43.1	57.1	52.4	58.07	44.25
June 4	42.3	56.7	51.9	57.34	43.78
June 3	42.3	56.7	51.9	55.56	42.91
Month ago	41.2	56.3	51.3	58.48	39.01
Year ago	42.4	53.7	49.9	60.55	70.62
High 1942	43.6	60.5	54.7	77.18	54.82
Low 1942	39.6	55.0	50.0	54.58	36.94

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning directly or through subsidiary companies, mills at
Beaupre, Que. — Iroquois Falls, Ont.
Pine Falls, Man. — Smooth Rock Falls, Ont.
Sault Ste. Marie, Ont. — Fort William, Ont.
Port Arthur, Ont.
Newsprint
Groundwood Pulp — News Sulphite Pulp
High Grade Bleached Sulphite Pulp

Civilian Needs Must Wait

Canada must have more labour to produce war materials. Therefore, citizens should postpone unnecessary purchases and release labour for war purposes.

With the money you save by "going without", buy more Victory Bonds.

Victory Bonds can readily be converted into cash—and the money you invest now may be more useful to you after victory than now.

We will gladly fill your order. Write or telephone.

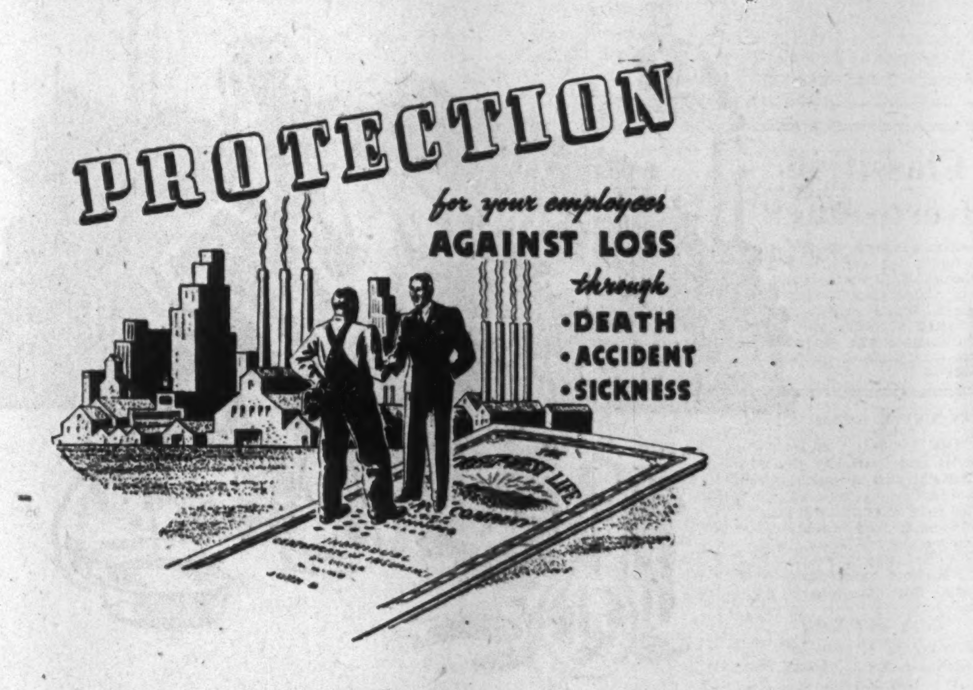
36 King Street West, Toronto, Telephone: Elgin 4321
Wood, Gundy & Company Limited

Your Wife and family deserve the utmost your estate can provide . . . but what they will actually receive in value will depend mostly on the ability, responsibility and the experience of the executor you have named in your Will.

Without obligating you in the least, we shall be pleased to tell you about the methods we use in the handling of estates . . . a work we have been at for many years. Our experience frequently saves many dollars, particularly in the moderate sized estates.

Executor and Trustee Since 1897

THE **TRUSTS and GUARANTEE** COMPANY LIMITED
TORONTO
CALGARY WINNIPEG BRANTFORD WINDSOR
4A-42



More and more employers are turning to group insurance in making adequate provision for their employees' welfare.

To meet today's need, the Great-West Life offers complete Group Insurance coverage which provides death benefits and accident and sickness benefits . . . and for the employee's dependents, as well as himself, hospitalization and surgical fees.

In the time of misfortune, it solves both the employer's and the employee's problem. It makes for peace of mind and better plant operation. It is economical and business-like.

Let a Great-West Life man show you how a Group Insurance plan can be fitted to meet the individual needs of your business.

THE **GREAT-WEST LIFE** ASSURANCE COMPANY
HEAD OFFICE: WINNIPEG

Company Reports

Dominion Textile

Although operating profit of Dominion Textile Co. in the year ended Mar. 31, 1942, was $3.3 millions higher at $11.2 millions, net profit after all charges equalled $5.22 per common share as compared with $7.03 in the previous year. The drop was primarily due to a doubling in the tax bill to $8 millions. G. B. Gordon, president, notes that the apportionment of income between shareholders and the government is in the ratio of $1 for the shareholders to $5.384 for the government.

Balance sheet this year shows a new contingent liability of $2.8 millions as a guarantee of bank loans of subsidiary companies. This arises very largely out of the operations of the raw cotton buying subsidiary in the U. S., which has required funds this year far in excess of borrowing powers based on its small capitalization.

The sharp increase in marketable securities carried is mainly as a result of Victory Loan subscriptions. On Mar. 30, 1942, the company made a prepayment of $2.5 millions against taxes due July 31, 1942. Mr. Gordon states this may be looked upon as an advance to the government free of interest over the intervening four months.

The company has been able to assist financially in other ways. It has bought, through its own resources, large quantities of grey goods required for the operation of government price control measures and is carrying heavy stocks of raw cotton for its own account against government requirements.

Income and Surplus Account
Years Ended Mar. 31

	1942 $	1941 $
Operating profit	11,225,750	7,975,768
Add: Other income	681,488	522,942
Total earnings	11,807,238	8,498,710
Less: Exec. remun.	79,650	76,275
Directors' fees	11,025	12,370
Legal fees	26,357	21,562
Depreciation	2,084,431	2,000,000
Interest	145,645	148,396
Income & E. P. taxes	8,000,000	4,192,456
Amort. bd. prem. & disc.	13,505	13,505
Net profit	1,546,624	2,034,146
Less: Pref. divds.	135,842	135,842
Common divds.	1,350,000	1,350,000
Surplus for year	60,782	548,304
Add: Prev. surplus	5,166,072	5,122,400
Less: Trans. to contiin. res.	......	504,632
Earned surplus for'd.	5,226,854	5,166,072
Earned per share:		
Preferred	$79.64	$104.82
Paid	7.00	7.00
Common	5.22	7.03
Paid	5.00	5.00
Working capital	12,463,523	10,328,218

Balance Sheet Changes

	1942	1941
Cash	963,257	656,537
Investments	7,197,450	5,400,332
Accts. receivable	4,660,983	3,694,512
Inventories	6,976,365	5,546,133
Bank loans (sub co.)	2,815,773	......
Fixed assets	31,838,361	31,291,554
Less: Depreciation	17,257,088	15,725,077

Brazilian Traction

Operating subsidiaries of Brazilian Traction, Light & Power Co. in Brazil reported a new record for revenues and operations in 1941. All services provided showed large gains. Net revenues are higher but it is again pointed out that exchange restrictions prevent free transfer of funds. Increased operating expenses are considered an inevitable result of the war.

Net profits, expressed in United States currency, were equivalent to $1.87 a share in 1941 compared with $1.31 a share for 1940. The company paid a dividend on its ordinary shares of 40 cents a share last December.

Some improvement in exchange situation is reported over the past year. No difficulty has been encountered in obtaining exchange with which to purchase imports of supplies and equipment. In addition limited amounts were made available for specified requirements such as bond interest and sinking funds. Similar allotments of exchange have also been made for the current year.

A. W. Adams, secretary, points out regarding exchange:

"These movements of funds, however, although an improvement as compared with recent preceding years, have only provided to a limited extent for the transfer of sums available for remittance, but it is hoped that if the improvement in foreign trade position continues and no unforseen obstacles occur, the exchange situation may in turn become better."

For several years various income tax questions have arisen between the operating subsidiaries and the Brazilian authorities. Finally, in July, 1941, the authorities demanded payment of claims regarding taxes for the years 1931-39 inclusive. The companies considered the claims very inequitable, and in Jan., 1942, a board of arbitration was set up, and arbitration is now in progress. In the meantime, deposits of cash and securities were made for the additional amounts claimed totalling approximately $7.8 millions. Reserves have been set up to cover the amount in dispute.

Consol. Earnings of Subsidiaries
Years Ended Dec. 31

	1941 $(U.S.)	1940 $(U.S.)
Rev. oper. cos.	43,426,096	38,137,719
Less: Oper. exps.	19,736,952	18,601,618
Deprec. & renewals	7,197,250	6,951,242
Bond interest	1,543,711	1,534,048
Sink fund, etc.	624,385	595,420
Gen. amortiz. prov.	700,000	700,000
Bal. to Brazilian Trac.	13,623,798	9,755,391
Val. milreis (N.Y.):		
(Official)	5.09c	5.06c
(Free)	4.85c	4.83c

Income and Surplus Account
(Parent Company Only)
Years Ended Dec. 31

	1941 $(U.S.)	1940 $(U.S.)
Rev. from subsids.	13,623,798	9,755,391
Add: Other income	105,818	93,634
Gross revenue	13,729,616	9,849,025
Less: Gen. & adm. exp.	280,932	289,218
Gen. amortiz.	300,000	300,000
Net profit	13,148,684	9,259,807
Less: Pref. divds.	21,480	21,480
Ordinary divds.	2,557,598	......
Surplus for year	10,569,606	9,238,328
Add: Prev. surplus	34,244,763	25,006,435
Surplus forward	44,814,369	34,244,763
Earned per share:		
Ordinary	$1.87	$1.31
Paid	0.40	nil
Working capital	33,768,659	25,812,453

Balance Sheet Changes

	$(U.S.)	$(U.S.)
Cash (incl. Brazilian currency)	23,864,709	16,542,606
Dominion bonds	4,137,580	3,458,969
Accts. receiv., etc.	17,565,500	14,829,690
Fixed assets	285,387,847	277,253,079
Funded debt (subs.)	29,426,874	30,111,127
Reserves	199,033,140	192,173,277

Inter. Petroleum

International Petroleum Co. reports net profits for 1941 equivalent to $1.23 a share in United States funds on its combined preferred and common shares, compared with 94 cents (U.S.) in 1940.

Balance sheet as at Dec. 31, 1941, shows a gain of $16.3 millions in working capital, mainly in cash. Long term indebtedness under the purchase agreement whereby International Petroleum acquired a share of the Venezuelan properties of Mene Grande Oil Co. has been reduced to $7.8 millions of which $1.7 million is due in 1942. A year ago this item amounted to $9.3 millions. Balance is payable on a per barrel production basis.

It is stated that change in basis of valuing inventories at Dec. 31, 1941, to the "last in-first out" method and elimination of inter-company profit from the opening and closing 1941 inventories reduced 1941 net profits by about $250,000.

Consol. Income and Surplus Account
Years Ended Dec. 31

	1941 $(U.S.)	1940 $(U.S.)
Operating profit*	31,035,689	24,518,179
Less: Legal fees & sals.	339,842	327,518
Deprec. & deplet.	6,301,890	6,147,396
Amortization	5,217,510	4,785,154
W/o unop. & props.	845,681	......
Net oper. profit	18,330,766	13,258,111
Add: Invest. income	895,841	986,746
Less: Invest. w/d	462,989	396,452
Conting. prov.	722,935	......
Minority int.	182,058	218,837
Net profit	17,858,625	13,629,568
Less: Pref. dividends	181,818	227,273
Common divds.	13,021,898	16,277,373
Surplus for year	4,654,909	†2,875,078
Add: Previous surp.	16,713,849	19,588,927
Deprec. adjust.	978,338	......
Less: Inter-co. profit invent.	414,652	......
Earned surplus fwd.	21,932,444	16,713,849
*After income taxes	4,947,510	4,229,345
†Deficit.		
Earned per Share:		
Pref. & common	$1.23 (US)	$0.94 (US)
Paid	1.00 (Can)	1.25 (Can)

Working Capital

	$(U.S.)	$(U.S.)
Current assets	48,890,008	30,905,690
Current liabilities	11,531,962	9,858,581
Working capital	37,358,046	21,047,109

Balance Sheet Changes

	$(U.S.)	$(U.S.)
Cash	*28,234,130	11,726,608
Receivables (net)	6,857,979	4,790,051
Inventories:		
Crude & refined	4,573,223	4,828,902
Materials & supp.	7,816,377	8,203,253
Def. receivables, etc.	4,815,008	6,308,909
Cum. pref. shs. (no mkt.)	......	4,164,500
Purchase obligations:		
Due in 1942	1,700,352	1,378,400
Due Dec. 15, 1945	6,071,078	7,956,301

*Includes South American currency converted at $6 millions not at present available in dollars due to exchange situation.

East Kootenay Power

Business conditions in the field served by East Kootenay Power Co., the coalfields of southeastern British Columbia and southwestern Alberta and the base metal operations in and around Kimberley, B.C., have improved, says A. J. Nesbitt, president, in the report for year ended March 31, 1942.

Production on the company's system for the year amounted to 123,079,838 k.w.h., an increase of 15% over last year. Gross revenue at $722,450 was 18% higher than the previous year. Operating expenses increased 30% due to the increase in consumption of coal through tripling the output of the Sentinel steam plant and to increased maintenance at the Elko Hydro Plant.

At a meeting in March first mortgage bondholders approved extension of maturity date of the bonds from April 1, 1942, to April 1, 1952.

Mr. Nesbitt adds that the company is not able as yet to resume payments on the 7% preferred shares.

Income and Surplus Account
Years Ended Mar. 31

	1942 $	1941 $
Electric revenue	717,134	597,573
Add: Misc. rev.	5,316	10,022
Gross earnings	722,450	607,595
Less expenses:		
Power purchased	3,272	5,012
Operation	214,083	151,942
Taxes	29,669	26,579
Maintenance	48,352	34,135
Net earnings	427,074	389,927
Less: Interest	262,579	269,839
Depreciation	144,000	120,088
Net profit	20,495	nil
Add: Prev. surplus	44,453	44,453
Less: Pension fund	5,000	......
Emp. stk. write down	5,230	......
Surplus forward	54,718	44,453
Times Bond Interest Earned:		
Before deprec.	1.63	1.45
After deprec.	1.08	1.00

Dom. Envelope

Plants of Dominion Envelope & Cartons (Western) Ltd. are presently fully employed and while it is becoming more and more difficult under present war conditions to obtain adequate supplies of certain raw materials, the company has so far been able, in co-operation with its customers, to find satisfactory substitutes in order to meet the demands of the trade, says J. R. Hitchings, president, in the annual report.

During the year the company redeemed and cancelled another 50 shares of first preferred stock at a cost of $4,864. This leaves 4,180 shares outstanding.

Income and Surplus Account
Years Ended Dec. 31

	1941 $	1940 $
Operating profit	129,185	121,050
Less: Depreciation	29,857	29,605
Income & E. P. taxes	37,023	32,089
Sundry	3,668	1,703
Net profit	58,637	57,653
Less: 1st pref. divds.	29,435	29,610
2nd pref. divds.	4,340	4,340
Surplus for year	24,862	23,703
Add: Prev. surplus	34,440	10,737
Less: 1st pref. redempt.	4,846	......
Earned surplus fwd.	54,456	34,440
Earned per share:		
1st preferred	$13.03	$13.63
Paid	7.00	7.00
2nd Preferred	47.10	45.23
Paid	7.00	7.00
Common	0.68	0.65
Paid	nil	nil

Working Capital

	$	$
Current assets	401,788	361,054
Current liabilities	95,642	87,624
Working capital	306,146	273,430

Balance Sheet Changes

	$	$
Cash	66,357	66,183
Investments	26,937	11,937
Accts. receivable	106,736	99,546
Inventories	201,757	183,388
Fixed assets	536,156	542,472
Less: Depreciation	268,237	261,609

Ontario Silknit

Sales and profits of Ontario Silknit Ltd. so far in 1942 are being maintained, states M. H. Epstein in the annual report. On Apr. 15 the company paid $1 per share on account of preferred dividend arrears to make this accumulation $25.75 as of that date.

Mr. Epstein reports there was a substantial improvement in the net earnings of the Canadian companies in 1941, after provision for Dominion taxes at a figure $35,000 higher than in 1940. The increase in the Canadian profits was offset by reduced earnings of the English and Australian subsidiaries so that the combined net earnings closely approximate those of 1940.

Income and Surplus Account
Years Ended Dec. 31

	1941 $	1940 $
Operating profit	521,319	478,968
Add: Other income	6,881	206
Total earnings	528,190	479,174
Less: Exec. remun.	70,947	72,445
Directors' fees	5,841	4,137
Legal fees	2,339	1,880
Depreciation	135,475	148,321
Interest	3,359	3,164
Income & E. P. tax.	158,335	114,338
Exp. costs w/o	1,418	......
Prov. prob. loss	16,077	......
War damage loss	......	13,171
Exchange adjust.	......	1,169
Income rts. reserve	5,139	6,925
Net profit	129,269	113,620
Less: Pref. divds.	30,000	......
Income rts. int.	8,566	......
Aust. pref. divds.	......	22,333
Surplus for year	90,703	91,287
Add: Previous surplus	137,349	46,062
Bad debt adj.	......	10,740
Less: Prior yr. taxes	48,581	10,740
Earned surplus fwd.	179,471	137,349
Earned per share:		
Preferred	$12.92	$11.36
Paid	3.00	....

Working Capital

	$	$
Current assets	1,997,723	1,823,200
Current liabilities	993,883	946,384
Working capital	1,003,840	876,816

Balance Sheet Changes

Cash	12,205	1,630
Accounts receivable	506,191	440,740
Inventories	1,381,955	1,053,842
Bank loans	201,955	292,198
Fixed assets	1,792,929	1,715,876
Less: Depreciation	814,312	681,027

Viceroy Manufacturing

Viceroy Manufacturing Co., Toronto, manufacturers of miscellaneous rubber products, reports net profits for the year ended Feb 28, 1942, equivalent to $5.90 a share on its preference stock against $5.05 a share for the previous year. Operating earnings were $479,287 compared with $250,182. Depreciation charges are more than trebled.

The company redeemed 800 preference shares last year, leaving 13,600 outstanding. Funded debt has been cut by $35,000 to $590,000. Following redemption of nine income funding rights last year, 441 remain outstanding.

Income and Surplus Account
Years Ended Feb. 28

	1942 $	1941 $
Total earnings	479,287	250,182
Less: Exec. remun.	44,231	32,450
Directors' fees	800	......
Legal fees	2,687	......
Depreciation	189,457	53,280
Interest	24,297	13,602
Income & E. P. taxes	94,756	78,161
Net profit	80,368	72,689
Less: Int. income rts.	112	3,770
Pref. dividends	21,000	21,600
Com. dividends	25,000	......
Surplus for year	34,256	47,319
Add: Prev. surplus	114,194	170,957
Tax adjustment	3,423	......
Less: Deprec. adjust.	17,191	......
Rights red., tax	43	75,525
Bond red., etc.	......	28,557
Pref. shs. red.	19,417	......
Earned surplus fwd.	115,222	114,194
Earned per share:		
Preferred	$5.90	$5.05
Paid	1.50	1.50
Common	$2.37	$1.89
Paid	1.00	......

Working Capital

	$	$
Current assets	872,478	553,042
Current liabilities	369,122	168,233
Working capital	503,356	384,809

Balance Sheet Changes

	$	$
Cash	1,276	39,197
Investments	25,000	......
Accounts receivable	283,746	165,447
Inventories	556,600	342,228
Bank loans	63,366	......
Funded debt	590,000	625,000
Fixed assets	1,391,443	1,178,856
Less: Depreciation	685,480	480,406

Classified Advertisements

Classified ads. cost 4c. per word and figure for each insertion. Minimum ad. 12 words. Add six words when box number is required. When replies are to be mailed to advertiser, add 10c. Classified ads. payable in advance. Contract rates on application.

EXECUTIVE AVAILABLE

EXECUTIVE widely experienced in industrial and business management, public industrial and labour relations and personnel direction, is seeking an opportunity. Has held outstanding positions in Canada and the United States with recognized achievement. Willing to go anywhere. War industry preferred but not restricted. Highest references. Box 292, The Financial Post, Toronto.

COST SYSTEMS

COST, Production & Inventory Control. L. W. Bennett, R.I.A., Cost Consultant, 37 Grand Ave., London.

EXECUTIVE AVAILABLE

UNIVERSITY man over military age open for engagement. Many years executive experience in Sales, Collections, and credits in Banking, Automotive, and Real Estate. Particularly familiar with Western Canada conditions. Box 16, The Financial Post, Toronto, Ont.

INDUSTRIAL MANUFACTURING EXECUTIVE

YOUNG Canadian, Mechanical Electrical Engineer. Wide experience in manufacturing, management and production. Available in one month. Box 17, The Financial Post, Toronto.

WE WILL BUY

Alexandra Apts. 3%/55
Algoma Cent. H. B. Rly. 5%/59
Beach Foundry 6%/45
Gypsum, Lime 5½%/48
Mayor Building 3%/42
McCormick's 4½%/52
Prince Edward Hotel 4%/47

If you are interested in selling any of the above, or desire information, communicate with

PLAXTON, CHERRY & McDONNELL
TORONTO 330 Bay St. AD. 5801

CARRY MONEY SAFELY

WHEN YOU TRAVEL
Canadian Pacific Express TRAVELLERS CHEQUES

THE ONTARIO LOAN AND DEBENTURE CO
LONDON, CANADA
Established 1870
DEPOSITS ACCEPTED 5-YEAR DEBENTURES ISSUED
Deposits and Debentures (31 Dec., 1941), $12,531,188

Trends IN INVESTMENT

Brazilian Traction officials have always declined to tell how much of the many millions of cash and investments shown on their balance sheets are held outside of Brazil. This year a clue as to what happened last year can be obtained from a study of latest balance sheet figures.

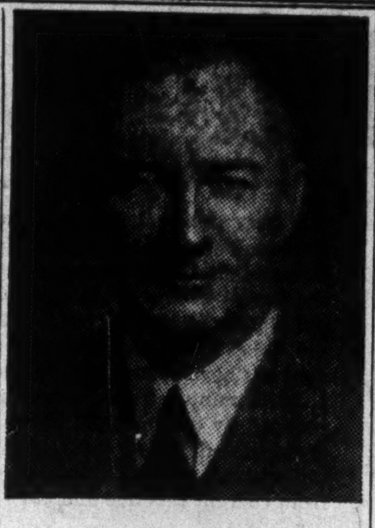
Cash is up from $16.5 millions to $23.9 millions and we have no means of knowing how much of this is still in Brazil. But Dominion bonds held are also up $700,000 at $4.2 millions and these must be held outside of Brazil. This gain is also after payment of $2.6 millions to ordinary shareholders last December. The conclusion seems to be that Brazilian was able to get at least $3.5 millions to $4 millions out of Brazil last year in addition to any sums required to pay interest and purchase supplies and equipment.

* * *

Purchase of sound industrial securities is encouraged in a plan worked out by Goodwin Harris & Co., Toronto. This firm has drawn up sample portfolios which can be bought for varying amounts of money, ranging from about $200 up to about $1,000. The plan is that clients open a "personal savings plan" by depositing with this firm sufficient securities or cash to the value of 50% of the cost of the plan to be adopted. Stocks are then bought and placed in the client's account.

Five different portfolios are suggested, all yielding over 7% at current prices and dividends. They include different combinations of such stocks as B. A. Oil, Ford of Canada, Hollinger, Dominion Foundries, Fanny Farmer, Canadian Celanese, Hudson Bay Mining, Laura Secord, National Steel Car, Consolidated Smelters, Dome Mines and International Petroleum.

This firm is also adopting an innovation in stock exchange practice in that it is remaining open for business one night a week to accommodate clients unable to visit the office during regular business hours.



APPOINTED MANAGER

T. D'Arcy Leonard, K.C., Toronto, who has been appointed general manager and a director of the Canada Permanent Trust Co., succeeding the late John A. Rowland, K.C. Mr. Leonard has been solicitor for the trust company and the Canada Permanent Mortgage Corp. for more than 20 years. He has also served as counsel for the Trust Companies Association of Ontario and for the Dominion Mortgage & Investments Association.

This War is Different Especially on "Profits"

Herewith is an editorial from the Winnipeg Free Press, June 3, 1942, entitled, "War Profits."

The constant attack on war profits is based on the impression that war industries are making higher than normal profits and that the shareholders are being enriched by the war. The facts are that the companies engaged on war contracts make little, if any, more profit after payment of taxes, than they did in 1939; that this profit is made on a much larger volume of business, so that the rate of profit is lower; and that when the dividends are paid, the government takes a much larger share of them through the income tax, than before the war.

With a great number of people, "war profits" means high profits, higher than ordinary, and that the owners or investors in war industries are benefitting accordingly while others are making sacrifices. This thinking is based on the past, on the profits made in former wars. It is also based on the unwarranted assumption, that with the government spending so much on war supplies, and with the war industries producing so much, the people with money in those industries must surely be doing particularly well.

Have Lost Old Meaning

As above indicated, the profits in question are taxed twice by the government. When the levies upon the companies are paid, and then the levies upon the incomes of the shareholders, "war profits" have quite lost the meaning so often attached to them.

Seeking to establish the facts in this matter, a special survey of 146 companies was made by The Financial Post. The group covered all industries and included most large companies engaged in war work. It was found that more than half of the net income of the companies last year was paid in taxes. The companies were busier than ever before, they employed more workers and they had a larger output. Normally, their profits would have been considerably higher. Actually, says The Post, for the group surveyed, the profits (after payment of taxes) were up only three per cent, while taxes had advanced 269% since 1939.

The iron and steel companies, working almost entirely on war orders and with their production far greater in 1941 than in 1939, had much larger net incomes. The result was that the taxes which they paid to the Government increased from a little over $5 millions to more than $30 millions, while the profits increased from $18 millions to less than $25 millions. The larger profits would be partly due to plant extensions and larger investments, but any increase in the dividend to shareholders was met by the much higher income tax and the national defense tax. The metal companies, also, paid more to the government in taxes than they had left in net profits.

Earnings Up But—

There is no question of the extra earnings of the various companies, due to the much larger business turnover in most cases. But those earnings are not the profits. After the Government has taken what it needs, the actual profits look very different. They are a heavy reduction from the net earnings. And whatever the company profits are, they do not indicate how the shareholders really benefit, because here the government steps in again.

Those in charge of the war industries, speeding up production to the highest pitch, are rendering a most valuable war service. Their companies earn a much smaller rate of profit, and in spite of doing much more business, their profits, after taxes, are as likely to be below normal as above it. Their taxation may be increased again, for all we know, to help pay the mounting cost of the war. But it is unfair to them to talk of profiteering in war supplies and to suggest that some people are becoming better off through higher dividends from war industries.

If there were profiteering, it should be stopped. If people were actually being enriched because of the war, that advantage should be taxed away from them. But the safeguards against these conditions are in operation. "War profits" do not mean what they meant in the past. This war is different, and the elimination of the possibility of making fortunes out of the conflict is one of the ways in which it is different, although there are many people who apparently do not know that this is so.

Bond MARKETS

Demand for high-grade bonds was made fully evident this week. The $15.7 millions issue of British Columbia 2, 2½, 3 and 3½% serials maturing 1943-62 was oversubscribed in less than 24 hours.

Proceeds of the issue are to meet a $20,160,000 maturity of the Pacific Great Eastern Railway, the balance being made up from revenue surpluses.

The Ontario $20 millions refunding issue carrying 2 and 3% coupons met a similar reception with books being closed shortly after opening. This issue provides for the refunding of all Ontario debentures maturing in Canada during the balance of 1942. Total of these debentures is $23.5 millions, the balance to be made up of surplus revenues of the province.

The speed with which these two issues were taken up serves further to demonstrate not only the high credit rating of the two provinces but the continuing heavy demand for high-grades at quite a low interest return. Highest yield on the B. C.'s was 3.70% and on the Ontario's 3.11%. The issues, biggest provincial bond sales for some time, were spotted to come midway between the Second Victory Loan this spring and the next Dominion loan scheduled for the fall, thus avoiding any conflict with war financing.

* * *

Interest rates are likely to remain at their present low level not only during the war but also in the postwar period, states Jules I. Bogen, in the New York Journal of Commerce. Chief reason for the stability of high-grade bond yields given is the existence of large excess reserves in the banks. These surplus reserves assure the Treasury a market for all the obligations it must issue, provided maturities are adjusted to the desires of bank managements.

An important contributing factor has been the sale to individual investors of non-marketable series of savings obligations which cannot be thrown upon the market should such relatively "weak" holders want cash.

When the war is over, says Mr. Bogen, excess reserves of the banks are likely to expand sharply if no steps are taken to cut them down. The probable return flow of currency from circulation at that time could expand member bank reserves by several billions of dollars. Furthermore, the U. S. may gain some gold as that now held in the U. S. under earmark is released to finance postwar reconstruction. The substantial gold reserves that are being built up in South Africa, which is now exporting only a small part of her production as far as is known, also may be sold in the U. S. at that time to raise dollar exchange.

Another factor that may affect bond prices, goes on Mr. Bogen, will be the greatly inflated level of bank deposits. The financing of the war may bring about a total expansion of 50% or so in the aggregate deposits of commercial banks. Should postwar conditions stimulate investment of deposits in bonds to any considerable extent, this demand could contribute greatly to the stabilization of bond prices at that time.

"You say the typewriter industry has gone on active service, Mr. Gordon . . . that our Armed Forces and War Industries need so many typewriters that there won't be many left over for people like me and my boss. Well, that's O.K. with us, Mr. Gordon . . . we'll make our typewriters last longer."

Royal's Life Extension Plan for typewriters makes it unnecessary to worry about immediate replacements. First, we put your present typewriter—any make—in perfect order. Then, under a Maintenance or Service Contract issued by us or your Royal Dealer, we *keep it that way*, and replace unserviceable worn parts (except rubber parts).

Any typewriter will run smoother, last longer and do better work as a result of this kind of care. And it will be a whole lot easier to operate too!

MEMO TO THE BOSS
Your Royal Dealer is a specialist in the care and maintenance of typewriters—especially Royals . . . ask him to tell you all about Royal's Life Extension Plan for typewriters . . . or mail the coupon.

ROYAL
STANDARD and PORTABLE
TYPEWRITERS
Made in Canada by Canadians • for Canadians

ROYAL TYPEWRITER COMPANY, LTD., Dept. F
Head Office and Factory,
7035 Park Ave., Montreal.
Tell me about Royal's Life Extension Plan for typewriters—no obligation, of course.
Name.......
Address.......
Firm....... 151A

Distillers Corp.-Seagrams during May purchased for retirement and cancellation on account of sinking fund 2,500 shares of its 5% cumulative preferred stock. This reduces the amount of preferred outstanding to 164,700 shares as at May 31, 1942.

GEORGE S. MAY LIMITED
Business Engineering
320 BAY ST., TORONTO

The Editorial Page . .

But Why Not in Canada?

Why did Leonard Brockington, K.C., have to go to Britain to find use for his particular talents? Why didn't Canada find important wartime work for him here?

Mr. Brockington goes to the British Ministry of Information, where his unique abilities as a speaker and broadcaster will undoubtedly well serve the British people.

But Canada has desperate need of the service Mr. Brockington can give. Here is a man who is definitely tops in interpreting the spiritual issues of the war.

On the industrial front, Canada has achieved much. So far, little has been done on the spiritual front.

Hitler very well knows how to use the weapon of national emotion, both to arm his own people, and to strengthen the blows against us. That's total war. Here's a weapon we haven't yet even started to use. Brockington was one of the few outstanding Canadians with an obvious flair for this job.

Canada has suffered much in the past and is surely suffering today from the constant export of her talent to other countries. Here was a loss that was patently preventable.

Planning For State Socialism

The work that is being done by Dr. Cyril James' permanent advisory committee on post-war problems should be followed closely by every Canadian. The committee includes representative Canadians and its recommendations are bound to influence our post-war economic and social policies, no matter what government is in power.

Dr. James presented certain tentative conclusions to a parliamentary committee recently. He added some personal observations.

Dr. James has defined the objective—"the one clear key," as he put it—of the committee's work. It was "the attainment of full employment . . . coupled with the ideal of an increase in our standard of living."

There can be no quarrel with that objective. Everyone who seeks to penetrate the darkness of the post-war future is hunting for the same thing.

The Socialist planners in Canada also profess the same objective. They offer a new society, an entirely rebuilt social and economic system as the only way to attain it. They want a totalitarian State; not a totalitarian State run by Nazis or Fascists but a totalitarian state run by Socialists. There may be a distinction in the minds of the C.C.F. between the Socialism of Russia, the Socialism of Hitler and the Socialism of the new "planned economy" they propose for Canada. But the basic concept in each case is the dominance of the State over the individual; the swallowing up of personal liberty in "control" by the central government, which means, in the end, regimentation under bureaucrats.

Dr. James professes to reject "the decrees of a completely new society." He professes not to be "writing a Utopian programme of what society might be if there were no traditions." He puts emphasis upon the need to maintain "personal liberties and democratic institutions."

It is from that point on that the post-war planning committee gets off the track. It expects a small-scale boom right after the war followed by a collapse. The upswing will give private enterprise a chance to "put our house in order." But the committee expects private enterprise to fail. Then will come the State's big moment, when it must step in and pick up the pieces. The committee tentatively outlines what the government must do then; public works programmes, new "controls and regulations" to establish "a satisfactory social and economic system."

The committee has not quite decided how many of the war controls can be abandoned during the "post-war breathing spell." But it wants as a minimum control over money, investment, and (through taxation) the distribution of income. In short in the breathing spell, when private enterprise is to be on trial, it is to be shackled. It is to be given no real chance; then when it fails, it is to be replaced by State Socialism.

The committee's conclusions have the merit of being tentative: something for all groups to "shoot at." They represent a compromise: a compromise between individual, thorough-going liberalism and Socialist planning. But one sees running through the Committee's ideas a belief that the State can, by appropriate taxation, public works and control measures, maintain the national income at a high level and thus insure "full" employment.

The question is not whether or not we want full employment but as to whether control or freedom is the best way to achieve it; whether free enterprise or bureaucracy.

Businessmen should interest themselves in these discussions and express their own views with courage and resolution. If the believers in individual initiative, free enterprise and the system of incentives as a spur to progress do not state their case the debate will go by default to the Socialist and the super-planners. Certainly these are not timid about presenting programmes and widely publicizing them.

The Financial Post believes that the fundamental fact that should be established is that liberty is the greatest element in true democracy. There can not be liberty without personal freedom. There can not be liberty if the individual shifts his responsibilities and assigns his rights to "the new despotism" of bureaucracy and the political planners.

Liberalism has been defined as "anti-totalitarianism" and in that sense we are fighting a war for a liberal world. But it is all too obvious that we are in danger of fighting a war against "totalitarianism" only to have it reimpose itself upon us in the post-war world by the continuation of the controls, regulations, tax levels and government spending policies which have been introduced in order to regiment our economy for war.

Liberty is in danger of winning the war and losing the peace. Dr. James hasn't yet offered us much that will help us maintain our freedom from the tyranny of bureaucracy.

The Financial Post's Platform For War

1. *Effective mobilization of all resources, materials, productive capacity and man power, without reservation, for an all-out war effort.*
2. *A national cabinet, representative of all loyal groups, and consisting of Canada's ablest brains.*
3. *An inner war cabinet, free from departmental duties, to plan the nation's war effort and to see that the plans are carried out.*
4. *A non-political industrial executive to organize and direct procurement of war supply.*
5. *Pay-as-we-go policy, to the very limit consistent with an all-out war effort, to avert inflation.*
6. *Elimination of wasteful spending by public bodies or private individuals.*
7. *A national programme to deal with postwar employment and relief problems.*

British Columbia's Achievement

It takes real progress in provincial financing to be able to cut about three eighths of one per cent off the cost of borrowing during wartime, but this is what British Columbia under the premiership of Hon. John Hart has been able to do. British Columbia has just finished selling $15.7 millions of its debentures at the lowest interest rate ever secured by the province in any market.

Perhaps even more indicative of the changed regard in which investors hold British Columbia's securities is the fact that this latest issue was sold in half a day. In Oct., 1940, British Columbia offered $5.1 millions of debentures and it took 2½ months to dispose of the issue.

There are certain factors inherent in bond markets in Canada today that helped make the latest offering a success. There is a scarcity of high-grade bonds and practically no new offerings except by the Dominion. Then the latest issue was a refunding operation in the course of which a $20.2 millions issue of provincially guaranteed Pacific Great Eastern Railway stock and debentures is being paid off and the debt reduced by $4.5 millions.

These and other facts helped but they would have been able to do little had there not been a fundamental improvement in the province's position over the past several years. When Hon. Mr. Hart took on the job of finance minister for British Columbia in 1933 the province's "market rating was the lowest of any province in Canada" as the official statement puts it. Since then, and allowing for the P.G.E. maturity on July 15, the provincial gross debt has been reduced by $8.9 millions. Since Nov. 1, 1940, annual interest requirements have been reduced by $1.5 million. Premier Hart has repaid provincial debts of $53.2 millions, of which $12.4 millions came from revenue surpluses, $6.4 millions from current revenue and $34.4 millions from sinking funds.

This has been accomplished by a long-term policy of reallocation of revenues, restriction of expenditures to definite limits, deferring certain fixed charges and conserving cash resources. When aided by buoyant revenues as in the case of British Columbia none of these measures are beyond the powers of any governing body. The results are made clear from British Columbia's example, one which has done much to strengthen investor confidence in the obligations of Canada's provinces.

A Good Story Well Told

For 22 years the Canadian Life Insurance Officers Association, through national advertising, has been telling the story of life insurance: what it is and what it does. So satisfactory have been the results, that it has been decided unanimously to continue the campaign into the 23rd consecutive year.

Last year special emphasis was laid on the dual service of life insurance: to provide financial security for the home and to provide dollars for the war effort. The campaign was also designed to improve public morale by reflecting confidence in the stability of the nation and emphasizing the proved security of life insurance in giving financial protection to the homes of Canada. In the coming year the same general objectives will be followed.

The campaign itself has been well planned and executed. But behind its success lies the fact that it had a good story to tell. Since the war began, life insurance has been the biggest single subscriber to Canadian war loans, investing over $300 millions of policyholders' savings to provide the tools of victory. In the same period over $500 millions have been returned to policyholders or beneficiaries. Men in the fighting forces have been sustained by the knowledge their dependents were protected by life insurance. All of which gives force to the slogan, "It is good citizenship to own life insurance."

Editorials in Brief

Some people think that editors know everything but one thing none of them knows is why people waste stationery and stamps to write scurrilous, anonymous letters.

* * *

The other day at a banquet the mayor of Chicago toasted the King of England.

Sic transit the era of "Windy Bill" Thompson.

* * *

It may be perfectly legal but it is certainly not going to boost military enthusiasm if motorists are scared away from giving hitch-hiking soldiers a lift. If there is an accident, it is reported that the government may try to recover damages from the owner of the car. Strict enforcement of this policy is going to make both motorist and soldier feel pretty mean.

* * *

J. W. G. Clark, director of public relations for the army and air force, says that "too much" information has been given the public about Canada's war effort; less will be told in the future. We have, he suggests, told our enemies more than they should know about the size and operations of Canada's fighting forces.

After nearly three years of war such a decision was inevitable. It would be splendid if the Canadian public, who are making the sacrifices, who are paying the bills and who have the most at stake, could be given complete facts on war production, on our fighting units and what they are doing. But we cannot inform Canadians without informing Germans, Italians and Japanese.

This does not mean a blackout of news from Ottawa. There will still be plenty of news for the public. But the public may properly be expected not to have all the information needed for successful armchair strategy.

MR. ILSLEY GOT THERE FIRST.

—Cartoon by Grassick.

Post-Scripts . . . .

New C.M.A. Chief

Almost 100 years ago a man named Lang established a tannery business in what is now Kitchener—a business which is now one of the largest, most successful tanning plants in Canada and in the British Empire.

This week a Lang grandson—Louis La Course Lang—was named president of the Canadian Manufacturers' Association.

Like his grandfather, Louis Lang is a tanner, and a good one. He entered the family business 48 years ago; has been its general manager since 1908; president since 1928. His company now makes sole, harness, specialty and trunk leathers. Of late much of this product has been finding its way to Russia.

His business associates rate Louis Lang shrewd and competent. Those who have listened to his counsel and advice in the wider realm of Canadian business and financial affairs find him far-seeing, imaginative, increasingly liberal.

The story of Louis Lang is closely linked with the solid, substantial contribution of the men and women who have built around Kitchener one of the most vigorous industrial communities in Canada. At first there was the business of making things for the farmers who formed the backbone of the community. (In the case of the Langs their product was harness leather of which they made probably 80 per cent of all that was used in Canada.) Gradually the broader cultural and financial institutions developed and prospered. (Louis Lang is treasurer of the Freeport Sanitarium, director of the Public Library and chairman of the Separate School Board at Galt, where he now makes his home. He is first vice-president of the Mutual Life of Canada with head office at Waterloo; vice-president of the Waterloo Trust and Savings Co. He is district commissioner Waterloo County for Boy Scouts Association of Canada.)

The nation-wide interests of the Mutual Life, and especially the project founded by the late C. M. Bowman of that company, brought Mr. Lang into another field—the development and prosperity of prairie agriculture. He is president of the Colonization Finance Corporation of Winnipeg which, with its affiliate the Canadian Colonization Association, manages one and a half million acres of western farmlands and has set an example of good farm management in many parts of the prairie west. (The C. F. C. is a co-operative project maintained and operated by a group of leading Canadian life insurance and trust companies in western Canada.)

Mr. Lang is also a director of the Bank of Montreal, director of Western Steel Products; vice-president of Sunshine Waterloo Co.; director of Shurly-Dietrich-Atkins, Ltd. of Galt.

As an increasingly powerful voice in the direction of the C. M. A. and now after several years of "apprenticeship," its president, he ponders especially the role and responsibility of Canadian business leaders in the days ahead. His immediate concern: lending increasing weight to the war effort; how best the leadership and direction which built the mushrooming industrial network of today can most usefully be harnessed to solve the mighty and momentous problems of Canada's tomorrow.

Mr. Lang is 62, has a son, a daughter and four grandchildren. His boy, formerly a chemist with Canadian Industries, Ltd., is now doing important work with Defense Industries, the wartime subsidiary of C. I. L.

* * *

Makes the Work Fly

There's one thing Edward Lancelot Cousins will probably find annoying about his new job as wartime administrator of the Port of Halifax.

Mr. Cousins, general manager of the Toronto Harbor Commission, is a trout angler — a very ardent trout angler. The irritating part of the post to which he has now been appointed is that Halifax is within a few miles of some of the best trout water in Canada but the job will keep him so busy he'll have little or no opportunity to wet a line. That's enough to make any fisherman bitter.

E. L. COUSINS

Mr. Cousins, however, as port administrator at Halifax will be making a major contribution to the war effort. It's a tough task he has been assigned—and tough tasks are his meat.

Broad-shouldered and brimming with energy, he is right in his element when problems pile up, as they are bound to pile up these days in a port as vital as Halifax.

"Nobody," one of his colleagues told The Financial Post, "can get to the heart of a difficult question quicker, or dig through a mass of work with more speed."

Another attribute he takes to his new job is a gift for negotiation. It has served him in good stead in the past. It will no doubt serve him in good stead at Halifax, where nerves are likely to get frayed because people are working under such pressure, and where his unruffled good-humor and tact should be a big asset.

Honors Graduate

Mr. Cousins was born in Toronto in 1883 and was educated at St. Andrew's College and the University of Toronto, from which he graduated with honors in civil engineering. His early experience was in railway construction and from 1907 to 1910 he was engineer of the Middle and Southern Divisions of the Grand Trunk, in charge of 1,200 miles of main line. He left that position to become assistant city engineer of Toronto, and in 1912 he was named chief engineer of the Toronto Harbor Commission.

Toronto's waterfront, at that time, was largely controlled by private interests and there was no uniform plan for development. E. L. Cousins brought the different interests together and order grew out of disorder along the waterfront. He prepared the plans for a $25 million harbor improvement.

Meanwhile he found time to serve as consultant to the Federal Plan Commission of Ottawa and Hull, which drafted the blueprint for a more beautiful national capital, and to help compile a report on rapid transit and radial railway entrances for Toronto.

In 1916, he was appointed a member of the Toronto Transportation Commission. That same year he became manager, as well as chief engineer, of the Harbor Commission.

In addition he served during the last war with the Imperial Munitions Board.

In 1922, he resigned from the Toronto Harbor Commission to practise as a consulting engineer, specializing on railway grade separations. Among his clients were the Dominion Government, the Toronto Harbor Commission, the Port of New York Authority and many large industries.

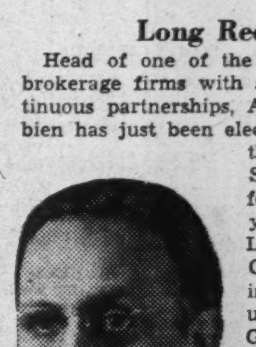
In 1936 he again became general manager of the Toronto Harbor Commission—a post from which he has now been released to serve at Halifax for the duration.

Outlining Mr. Cousins' new duties, Hon. C. D. Howe, minister of munitions and supply, said: "It will be his responsibility to direct the institution of any measures he deems necessary to assure the security of port facilities and of ships in or about the port, to assure the proper movement of traffic through the port, and to co-ordinate shipbuilding, ship repair and salvage operations in or about the port with other port activities." Which is a fairly large order.

* * *

Long Record

Head of one of the oldest Canadian brokerage firms with a record of continuous partnerships, Andrew S. Beaubien has just been elected chairman of the Montreal Stock Exchange for the current year. His firm, L. G. Beaubien & Co., was formed in 1902 by his late uncle, Louis de Gaspé Beaubien, and Charles Henri Branchaud. The latter is still active as a special partner of the stock exchange firm and president of the bond firm of the same name. Over this period of 40 years, the firm has established an outstanding name, particularly in French Canada, but also in other provinces. In 1911 L. G. Beaubien opened an office in Paris and one in Brussels in 1937.



A. S. BEAUBIEN

Andrew Beaubien, one of the youngest chairmen that the Montreal Exchange has ever had, was born in Montreal in 1900. He had a Scottish grandfather and the advantage of combining a French and English education. Following graduation from Loyola College, Montreal, in 1922, he spent two years with the accounting firm of Peat, Marwick, Mitchell & Co.

His start in the brokerage business was with Laidlaw & Co., New York, where he spent three years during the period when the booming stock markets of the 1920's were getting up steam. He joined L. G. Beaubien & Co. in 1927 and has been in Montreal since then. He became a member of the Montreal Curb Market in 1937 and served as its chairman last year and is acting for the third year as a member of the governing committee of the Montreal Stock Exchange. He helped establish the Canadian Commodity Exchanges and was its president in 1937-38.

Mr. Beaubien has just accepted the job of vice-chairman for the Island of Montreal for the National War Finance Committee's organization. As such he will be one of the two or three key men in the next Victory Loan and will be active in the continuing campaign for War Savings. Mr. Beaubien has found that his business interests leave him with very little spare time. In his younger days he was provincial amateur boxing champion for three years, but in recent years has confined his athletic activities largely to tennis.

In his own firm, he has now about 75 employees compared with around 200 in prewar days. He maintains that his optimism is unbroken regarding the return of greater interest in securities and busy stock markets. These, he thinks, will return as unexpectedly as they faded.

Other People's Views . . . .

The Canadian Editorial of the Week

Conscription of Wealth

Yorkton Enterprise

Those who are continually advocating "conscription of wealth," without being able to explain what they mean by this somewhat nebulous term, should study the figures given below. They should also remember that "conscription" in this case means confiscation and that if wealth were confiscated it could no longer be taxed.

Under the present economic set-up the State collects huge sums in taxes annually. Conscript wealth and the State would make one big grab and could thereafter collect nothing more in taxes. And remember also what really constitutes wealth. It is not mere money. It is the city man's business, his home and his possessions. It is the farmer's land, his stock, implements and buildings. The "conscription" of all this and the taking over of it for State operation would really be something.

The figures to which we wish to direct our readers' attention were brought down in the House of Commons and concern the 1940-41 fiscal year.

Of $52,400,000 assessed, over 55 per cent was paid by the 1 per cent of the taxpaying population with incomes over $20,000!

42.3 per cent of the taxpayers received under two thousand dollars and they paid only 2.9 per cent of the taxes. 4.2 per cent of the taxpayers were in the two and three thousand dollar class and they paid 3.1 per cent of the taxes.

The three to four thousand dollar class had 14.4 per cent of the taxpayers who paid 3.6 per cent of the taxes, while the four to five thousand dollar class had 6.6 per cent of the taxpayers who paid 3.2 per cent of the taxes.

8.8 per cent of the taxpayers earned between five and ten thousand dollars and paid 13.3 per cent of the taxes while the 2.7 per cent of the taxpayers who earned between ten and twenty thousand dollars paid 18.1 per cent of the taxes.

The four tax groups who earned more than ten thousand represented one per cent of the taxpayers and they contributed 55.2 per cent of the total income tax.

* * *

As Others See Us

Britain Laid Foundations

Brockville Recorder & Times

The Financial Post does well to point out that the foundations of the United States wartime industrial programme which is now beginning to produce such splendid results were laid with the $3,000,000,000 which Britain poured into that country in the days before lease-lend in order to begin the transformation from a peace-time to a war-time basis. But for that investment, real war production across the border might have been considerably delayed.

* * *

Who Are Practical Farmers?

Moose Jaw Times-Herald

When in a recent issue of The Financial Post the suggestion was made to the Ottawa Government that it might do worse than call into consultation practical agriculturists when it is dealing with agricultural problems, it was to be expected that the Western Producer would for once be found quoting the Toronto financial paper with approval. The Post pointed out that on the industrial front the government had called in industrialists in connection with production problems, but that the farmers had not been consulted on agricultural problems.

Such a comment from The Financial Post was naturally much to the liking of the Western Producer, which has been hammering away on this anvil for a long time. One wonders where it would be possible to find a "practical" farmer whose services could be made available and with whose theories and ideas any considerable number of his fellow farmers would agree and be ready to accept. Anyone who has attended a gathering of farmers knows full well the wide diversity of views that are held by farmers on farming methods and farming economics, to say nothing of farming marketing and kindred problems. This is a natural condition of affairs, because the farmers are inherently individualistic, each is his own boss, and everyone has his own theory on cultivation, seeding, harvesting, marketing, feeding of livestock and other daily jobs about the farm.

* * *

What the Papers Are Saying

The "All-for-War" Party

Vancouver Province

In Canada, now, for the practical purposes of war—and these are the only purposes that matter—there are only two parties, the All for War party and the Indifferent party. The Indifferent party, if it persists in its indifference, can claim no representation in the government. The All for War party should have full and adequate representation. Without such representation, the government can not make use of the full tide of support in its war endeavor which is at its disposal if it will call upon it.

* * *

Have We Any Heroes?

Family Herald & Weekly Star Montreal

Our Government's antipathy to effective and inspiring presentation of what we are doing in the war, is as flagrantly apparent inside Canada as outside.

We are very sure that if the Prime Minister could rid himself of his antipathy to every kind of effective, forceful publicity, the Canadian Government would very soon have its own way with regard to the exploits of Canadian heroes.

If our government does not wake up, we, right here in Canada, will soon come to believe that the only real heroes in this war come from the United States!

* * *

Chance For a Demagogue

Ottawa Citizen

The ceiling on incomes in the United States is $25,000. Trust some live American to start a democratic movement to bring all incomes up to the same level.

* * *

Sayings of the Week

"The Canadian Army in England is the most deadly, efficient, hard-hitting fighting force in human history."—*J. W. G. Clark, Director of Public Relations, Army and Air Force.*

* * *

"Let us have no illusions; the war is going to leave a terrible heritage of problems which will only be solved by consummate patience, understanding and skill."—*Rt. Hon. Malcolm MacDonald.*

* * *

"Hitler must be treated as a prisoner of war, if he be so lucky as to fall into the hands of the British. But if the Poles or Czechs will capture him first, God have mercy on him."—*George Bernard Shaw.*

* * *

"The sole object of a party is not to find jobs for its members. The business of a party is to espouse the policies laid down for the good of the nation; patronage is the beginning of disintegration."—*Hon. H. H. Stevens.*

* * *

"The Chinese do not accept the much-mooted theory of enriching the poor by dispossessing present owners of their wealth, nor do they believe such a step would give any prospect of an enduring alleviation of poverty and human misery. We prefer leveling up to leveling down." *—Mayling Soong Chiang (Mme. Chiang Kai-shek) in the Atlantic Monthly.*

* * *

"As long as there is plenty of criticism to act as a spur, as long as complacency it not allowed to develop, I think there is much to be gained by taking pride in positive accomplishments."—*Graham F. Towers, Governor, The Bank of Canada.*

* * *

"We shall have, when the war is over, the technical equipment, the trained and efficient labor, and the natural resources required to produce a substantially higher real income for civilian needs than any ever achieved before in our history." — *Dr. Alvin H. Hansen, Professor of Economics, Harvard University.*

* * *

"We are all naturally in favor of the most intimate co-operation after this war with the United States for our common welfare and for the peace of the world, but I believe that it will be best achieved, not by absorption into some rigid federal scheme but by free and equal co-operation in which the British Commonwealth can serve not only as a bridge and interpreter between America and Europe but also between the Western World and Asia."—*Rt. Hon. L. S. Amery.*

* * *

Stop Me If . . .

A certain professor, on his way to a class, stopped at the doctor's office to see whether he had a cold coming on. The doctor felt his pulse and said: "That's all right; let me see your tongue." The professor put out his tongue, and the doctor added: "That seems to be all right, but why the postage stamp?" The professor beamed at him and explaimed: "Ah, so that's where I left it."

The Financial Post

Member Audit Bureau of Circulations

A weekly newspaper, presenting in a popular manner reliable information respecting investments, business and national affairs in Canada.

FLOYD S. CHALMERS, Editor
DOUGLAS M. GOWDY, Business Manager

Printed and published by
The MacLean Publishing Co., Limited
481 University Avenue, Toronto 2.
JOHN BAYNE MACLEAN, Founder and Chairman.
HORACE T. HUNTER, President.

Subscription Terms: Single copies, 10 cents. Yearly, in Canada, United States, Mexico and British Empire, $5; all other countries, $6.
Advertising Rates: Single insertion $4.20 per inch. Contract terms upon request.
Montreal: Dominion Square Building, Murray R. Chipman, Eastern Manager; John E. Langdon, Eastern Editor.
Ottawa: 260 Irving Ave. (Tel. 8-0847); Kenneth R. Wilson, Resident Correspondent.
New York: 522 Fifth Ave.
Chicago: 309 West Jackson Blvd.
London, England: Quadrant House, 55 Pall Mall, S.W.1.

Cutting the Costs in Canadian Business

First Aid for the Small Retailer

Trade Papers Join W.P.T.B. to Help Meet Many Wartime Problems

By ROBERT C. STARK

Supply shortages and narrowing profit margins have looked like the handwriting on the wall for some of Canada's small retailers. All the storekeeper has had to do is look at British experience where exactly the same duo of wartime factors forced many a small retailer to the wall.

To help get around those supply shortages, help sustain profit margins hit by the price ceiling, keep the small retailers in business is a task now receiving the attention of Wartime Prices and Trade Board experts.

Under the Management Service Section of the Division of Simplified Practices a fourfold programme for the small retailer has been set out:

1. Cut costs.
2. Cut waste.
3. Improve management.
4. Alter selling appeals.

The programme has already made substantial progress despite the fact that it has hardly had time to get into its stride. The aim to help the small retailers first is based on the fact that the larger organizations, chains, etc., have experts of their own capable of making studies and advising on changes to help meet the changed conditions that war has brought. The small retailer usually has to depend on his own ingenuity.

Fact-finding Job

What is being organized is an assembly of professional talent particularly designed to help out the small man. No armchair experts, these specialists, known as Field Consultants, are starting their job from the ground up. They are going out and talking to retailers, small and large, in big towns and little villages. They are on a fact-finding mission to determine what are today's problems for the retailer—what are his worries? What's he doing about them?

The Field Consultants are talking to jobbers. From them they are getting a picture of the supply situation, an idea of what the feeling is on such questions as cash and quantity discounts.

They are talking to leading manufacturers, a group naturally interested in keeping retail outlets open. Asked what steps they would take if they were in the small retailers' position today, manufacturers have come through with some surprisingly valuable suggestions.

Trade Papers' Part

Much of the work of the Management Service Division so far has been in connection with this fact-finding survey. With those facts in hand action is planned. The present idea is to work through the trade associations and trade papers, many already doing valuable work in helping retailers meet present-day conditions. Through these media a large number of retailers can be reached at once.

It is hoped that the programme will be able to reach its objectives through this non-pressure method of passing along intelligent ideas to the retailer rather than through unwieldy legislation.

The Service Division is currently making a study of wrapping practices in Canada and the United States. It has steps under consideration which it believes will not only mean an appreciable saving in paper but also drastic reduction in wrapping costs. Also being studied is the delivery question. Much, of course, has already been done on deliveries but the accent here is being put on methods whereby each retailer can cut his individual delivery costs.

Repairs Stressed

Retailers are having pointed out to them the profits that exist in the repair field. In the easy-going days of peace, retailers, particularly in the hardware trade, were inclined to neglect the development of repair business. There was more profit in selling new goods than repairing old.

With increasing scarcities, something close to what might be called a Repair Age has been brought about. With no new materials to buy a great deal of attention now has to be paid to keeping in good service the materials that are already on hand and in use.

Trading Used Goods

Used goods are coming in for a play. Normally comparatively few people will buy a used article when they can buy a new one, but here again the supply problem enters. Turn-ins of used property are now being sought. One fruitful source is newlyweds. Brides who have been presented with more than one toaster, for instance, get a suggestion to turn the extra ones back to the retailer.

This used goods trade has been pushed a good deal farther in England than is the case so far in Canada. Selfridge's, the big department store, is reputedly a very heavy buyer of used materials for resale.

Rousing Dormant Stocks

On the shelves of many businesses lie dormant stocks that mean a lot of money tied up. In some cases such deadwood represents unfortunate purchases, but there are cases where war changeovers have meant placing large stocks of material in the dormant class.

For instance, one washing machine manufacturer who turned to war production found himself with a long list of rivets, nuts, bolts and other material usable for washing machines but no good whatsoever for his wartime line. The Management Service Division took that into hand and has been successful so far in locating markets for about half of the manufacturer's dead inventory. Many small retailers and manufacturers are not familiar with all the potential markets that exist for some of their products. To help circumvent this condition the Service Division is working on machinery with the objective of funneling dormant stocks through to new markets.

Long a drawback to really efficient operation by the small merchant has been his lack of an adequate accounting system. This phase, too, is now under close study to provide small stores with a simplified accounting system that will see the end of the type of dealer who "keeps his books in an envelope."

Finding Substitutes

The altered selling appeal angle of the Service Division deals largely with locating and merchandising substitutes for materials that are now either nonexistent or in scarce supply. Biggest field is the hardware trade, which handles so many metal articles. To help hardware dealers keep their shelves stocked the Services Division has been investigating the wood and ceramic industries to find suitable substitutes. They have already been successful in turning up 17 first-class replacements.

Plastic bicycle clips for trousers can now be obtained. While plastics are scarce these clips are made from waste that otherwise would be thrown away as valueless. A plastic insulation to replace rubber insulation for electrical wires is being worked on.

Paper Clotheslines

To substitute for metal and manila clotheslines a product of twisted paper has been developed. Practically indistinguishable from rope, these paper clotheslines have a tensile strength of 403 pounds. When thoroughly soaked that tensile strength only drops to 396 pounds.

To take the place of metal playthings the field of wooden toys is being thoroughly scoured. Several have been found to date which contain no metal whatsoever with the exception of screws to hold the different parts together.

Designed primarily to help the small retailer, the man who has been taking the squeeze and has not been able to do much about it, the programme is hoped eventually to spread its influence to the field of the small manufacturer.

The Week in Business

Highlights of business figures available this week are a new wartime record for the cost-of-living index, moderate decline in retail and wholesale sales indices, an important gain in employment in manufacturing industries and a smaller one in all industries.

Cost of living has now risen 15.2% since Aug., 1939, according to the Dominion Bureau of Statistics index. The May figure of 116.1 compares with 115.9 for April this year. May increase is due mainly to foods although fractional rises are reported for clothing and rent.

Retail sales index at 155.7 for April compares with 161.4 for March and 135.1 a year ago.

Wholesale sales index at 154.5 for the latest month compares with 155.1 for March and 141.6 a year ago.

Employment in manufacturing industries as a whole reached 165.2 for the D.B.S. index in April. This compares with 165.1 for March, 165.4 for February and 141.3 for a year ago. In manufacturing industries alone the index rose 3.7 points in April and is 41.2 points higher than a year ago.

Payrolls have been consistently moving upward. In April the D.B.S. index reached 121.6 as compared with 100 for June, 1941.

Iron and steel production continues to set new records. Pig iron is up 41.8% for the first four months and steel ingots and castings up 22.1%.

Crude oil imports were again higher in April, up almost 50 million gallons. For the first four months this year the gain is about 115 million gallons, or 43.7%.

Raw rubber imports in April totalled 17 million lb. against 5.7 million lb. in April a year ago.* For the first four months of this year there has been a gain of 1.6 million lb., or 4.4%.

LATEST FIGURES AND INDICES
New items this week marked ■

	May	Apr.	Mar.	Feb.	Year Ago
The Financial Post business index	....	*168.0	168.2	169.2	147.9
Dom. War expend. (million $)	....	142.2	....	132.9	46.2
Dom. total revenue (do.)	....	170.8	....	109.7	78.4
Dom. total expend. (do.)	....	247.5	....	163.7	71.5
■Retail sales index no.	....	155.7	161.4	154.7	135.1
Dept. stores sales index no.	....	148.5	156.9	142.7	133.4
■Wholesale sales index no.	....	154.5	155.1	136.1	141.6
■Country store (% change pr. yr.)	....	+14.0	+13.8	+15.3	+13.3
Divd. payment index♦	120.9	121.0	121.1	121.3	120.4
COST OF LIVING—					
■D.B.S. index	116.1	115.9	115.9	115.7	109.4
EMPLOYMENT INDEX Nos. D.B.S.—					
■All industries	....	165.2	165.1	165.4	141.3
■Manufacturing	....	199.4	195.7	191.2	158.2
■Payroll (June 1/41=100) (b)	....	121.6	119.4	118.5	....
Payroll index (a) (1937=100)	....	....	190	178	154
			Jan. 1 to date		%
RAILWAYS—	1942	1941	1942	1941	Change
■Carloadings (week May 30)	63,386	64,981	1,372,815	1,237,856	+10.9
■C.N.R. gross (week May 31) $	8,996,000	8,821,000	137,626,000	116,073,000	+18.5
■C.P.R. gross (week May 31) $	6,689,000	6,564,000	99,788,000	81,343,000	+22.6
C.N.R. net revenue (Apr.) $	7,078,100	6,799,362	22,303,259	17,490,927	+27.5
C.P.R. net revenue (Apr.) $	3,556,147	3,149,165	13,540,158	11,669,571	+16.0
IRON AND STEEL—(April)—					
■Pig iron production (tons)	160,408	115,725	634,653	447,568	+41.8
■Steel ingots and castings prod. (tons)	264,988	224,761	1,032,828	845,780	+22.1
AUTOMOBILES—(Number)—					
Passenger Cars:					
■Domestic sales* .. (Apr.)	1,676	16,115	12,721	39,826	—68.1
Factory output ... (Mar.)	3,192	12,093	11,430	34,730	—67.1
Trucks and Buses:					
■Domestic sales* .. (Apr.)	1,840	4,762	10,460	12,885	—18.8
Factory output ... (Mar.)	16,996	13,951	50,690	38,219	+32.6
Financing:					
Used (Apr.) $	1,585,422	6,656,680	6,250,571	16,273,505	—61.7
New (Apr.) $	903,106	5,695,909	4,520,047	13,649,970	—66.9
CONSTRUCTION—					
Contracts awarded . (May) $	23,895,400	40,875,600	88,191,000	129,719,100	—32.0
■Cement prod., bbls. (Mar.)	399,952	378,306	982,708	963,052	+1.9
AGRICULTURE—					
■Flour prod., bbls. .. (Apr.)	1,960,900	1,660,897	6,908,582	5,777,126	+19.5
Flour exp., bbls. ... (Apr.)	1,127,974	849,816	3,834,084	2,370,530	+61.7
■Cattle sales▲ ...... (May)	72,939	80,191	432,270	393,622	+9.8
■Hog sales▲ .... (May)	496,136	444,858	2,722,179	2,510,235	+8.4
SEA FISHERIES—‡					
■Catch, cwts. .... (Apr.)	347,300	373,300	2,389,840	1,709,800	+39.8
■Landed value ...... (Apr.) $	1,318,000	1,068,000	3,587,300	2,786,000	+28.7
NEWSPRINT—					
Production, tons .... (Apr.)	277,741	279,996	1,163,581	1,062,670	+9.5
Exports .... (Apr.) $	10,702,000	13,019,000	50,285,000	43,917,000	+14.5
MINING AND OILS—					
■Coal prod., tons .. (Apr.)	1,511,872	1,232,801	6,749,256	6,059,162	+11.3
■Coal import, tons .. (Apr.)	1,731,543	516,736	4,487,581	2,258,129	+98.7
Gold rec., fine oz. . (Apr.)	413,161	385,488	1,577,783	1,685,812	—6.4
■Crude oil, imp. gals.† (Apr.)	126,338	79,922	375,088	261,046	+43.7
ELECTRIC POWER OUTPUT—(April)—					
Total monthly, 1,000 kw.h.'s	3,082,740	2,693,353	12,394,420	10,366,931	+19.5
FOREIGN TRADE—♦					
Imports .... (Apr.)	$141,946,063	106,268,419	548,514,620	402,264,731	+36.3
Exports .... (Apr.)	169,997,596	118,393,094	667,451,667	410,828,290	+62.5
OTHER INDUSTRIAL FACTORS—					
Dressed lumber exp.: 1,000 bd. ft. ...... (Apr.)	148,769	142,653	528,451	629,296	—16.0
■Shoes, prod., pr. ... (Apr.)	2,774,128	2,691,248	10,785,695	9,332,440	+15.5
Cotton consump., lb. (Apr.)	17,863,817	17,114,949	67,591,899	66,201,826	+2.1
■Raw rubber imp. lb. (Apr.)	17,023,133	5,659,217	38,523,612	36,901,434	+4.4
Cigarette cons., No.† (Apr.)	767,456	616,466	3,076,734	2,489,228	+23.5
Sugar manufactured .. lb.§	90,187,029	87,221,405	1,199,719,338	1,137,792,237	+5.4
FINANCE—					
Bank debits† ...... (Apr.) $	3,733,219	2,984,165	14,033,701	11,303,597	+29.2
Bond sales† .... (Apr.) $	100,891	81,157	1,376,993	321,300	+328.8
Life insurance sales (Apr.) $	36,232,000	35,398,000	154,546,000	128,924,000	+19.8

*D.B.S. All Canada figure covering 90% of the Canadian total.
‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C.
▲Total at yards and plants.
†000's omitted. §For four weeks to Dec. 31. ♦Gold excluded.
♦Supplied by Nesbitt, Thomson & Co. *Final.
(a) Compiled by Canadian Bank of Commerce. (b) All industries.

Government Now Sponsoring High Pressure "Soap Opera"

By STAFF WRITER

OTTAWA.—For the first time on this continent, a government department (Wartime Prices and Trade Board) is buying time on a government-owned network to stage a commercial "soap opera."

The heroine is Carry Murdock. Day by day at 10.30 each morning the Murdock family pour out their homely troubles and tear at the heart strings under the title "Soldier's Wife."

The "sponsor" is the Wartime Prices and Trade Board and, in traditional soap opera tradition, the Board takes a minute or so at beginning and end of each broadcast to keep Canadian housewives informed "on the changes and regulations of the board which affect everyday life."

It was because of this continuity (then about a week old) that Donald Gordon chose the hour of 10.30 a.m. to announce to Canadian housewives the new sugar, tea and coffee rations last week.

Producer is Rai Purdy of Toronto. Behind the idea is the fertile, radio-conscious brain of Frank Ryan, advertising manager of Hudson's Bay Co. and on loan to the W.P.T.B. to do feature promotion work and publicity.

On the Record

Used collapsible metal tubes must be delivered to a drug, cigar, general or departmental store by regulation of the W.P.T.B.

Canadian potato production and hog product output is to be increased upon recommendation of the Joint Economic Committee of United States and Canada.

A Metals Advisory Committee appointed to co-operate with G. C. Bateman, Metals Controller, and investigate the possibilities of increasing Canada's output of zinc, copper, and lead. It will comprise: **R. A. Bryce**, Toronto, president, Canadian Institute of Mining and Metallurgy and president, Macassa Mines Ltd., chairman; **Thayer Lindsley**, president, Ventures Ltd., Toronto; **A. A. MacKay**, vice-president and managing director, Aldermac Copper Corp., Montreal; **W. G. McBride**, professor of mining engineering, McGill University, Montreal; **E. V. Neelands**, consulting engineer, Ventures Ltd., Toronto; **Leo H. Timmins**, president, Chromium Mining & Smelting Corp., Montreal; **J. G. McCrae**, president, Western Quebec Mine Managers Association and manager, Sigma Gold Mines., Bourlamaque, Quebec; and **D. H. McDougall**, director, McIntyre Porcupine Mines Ltd., Montreal.

Small Arms Ltd., Long Branch, Toronto, is the only plant on the continent manufacturing Lee-Enfield rifles. It turned out its first mass production of rifles in Oct., 1941, and by the end of May, 1942, was turning out nine times as many as when it started. There are 2,960 on the payroll, 1,723 of whom are women.

Cost of living index advanced from 115.9 on April 1 to 116.1, May 1, 1942.

A new car may be purchased only by those who are engaged in vital war services and then only by permit from the Motor Vehicle Controller.

Kapok may not be used in the manufacture of any article without a permit from the Controller of Supplies.

Subsidies paid so far to maintain price ceilings total $4,035,455; domestic subsidies totalled $3,359,385 and import subsidies $676,070, according to a return tabled in the House of Commons.

The new Air Training plan of the British Commonwealth extends until March 31, 1945. Canada will pay one half the cost of the expanded programme which is estimated at $1.5 billion.

A single anti-aircraft battery requires three tons of ammunition in a minute's action.

A CHECK-UP OF YOUR INVESTMENTS

A requisite of a sound investment portfolio is a periodic analysis by a competent investment consultant. This service may be obtained without obligation at any of our offices.

A. E. AMES & CO.
LIMITED
Business Established 1889
TORONTO
Montreal Winnipeg Vancouver Victoria New York London, Eng.

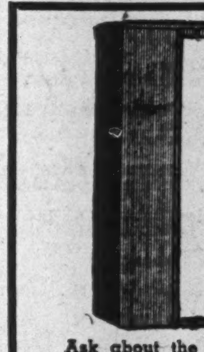
The Price of Victory

—is immeasurable; but compared to the oblivion of defeat it is infinitesimal.

The money you invest in Victory Bonds is the measure of your belief in Victory and your insurance against the oblivion of defeat.

Your order for additional Victory Bonds will receive our prompt attention.

McLEOD, YOUNG, WEIR & CO.
LIMITED
Metropolitan Building, Toronto
Telephone: Elgin 0161
Offices at Toronto, Montreal, Ottawa, Hamilton, London. Correspondents in New York and London, England.



Ask about the Interlake Vertical Dispenser

Your Washrooms will be better – and your towel costs less – with Interlake PAPER TOWELS

INTERLAKE TISSUE MILLS CO. LIMITED
TORONTO MONTREAL WINNIPEG VANCOUVER

When Deliveries to Customers are Delayed . . .
There's a Reason!

As manufacturers of PEDLAR'S Metal-Built Products, our production for 1942, in common with all products using steel, will be subject to restrictions arising from the war. We are co-operating to the fullest extent with the Government's program for conserving metals and have reduced the number of designs and weights of some of our lines.

Under present conditions, the difficulty of obtaining raw materials stands in the way of prompt delivery to our customers. Well-known PEDLAR materials such as, Metal Roofing, Metal Lath, Industrial Mesh, are available in limited quantities and we are also prepared to quote on any special work for industrial and war purposes. We shall be pleased to receive your enquiries.

Write for full information

MAKERS OF *Metal-Built Products* FOR OVER 80 YEARS

THE PEDLAR PEOPLE LIMITED
HEAD OFFICE OSHAWA ONT.
MONTREAL OTTAWA TORONTO WINNIPEG CALGARY VANCOUVER

Consumer No. 1

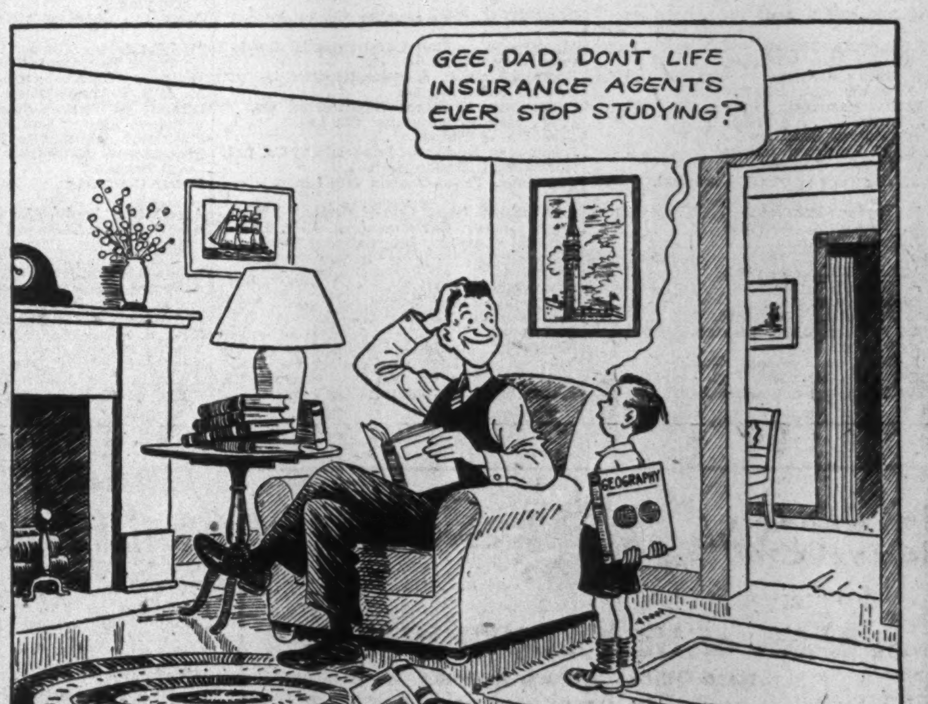
Canada's farmers are not only big producers, they are the country's biggest consumers as well.

Consider the vast amount of goods the farmer and his wife will buy this year . . . Consider the fact that rural Canada's purchasing power, is backed up by an average annual income of more than ONE BILLION DOLLARS! It's the greatest single consuming market in Canada today.

Reach this market through the ONE medium with national rural coverage . . . the Family Herald and Weekly Star

Family Herald and Weekly Star
CANADA'S NATIONAL FARM MAGAZINE
MONTREAL CANADA

The man who never stops studying



MOST PEOPLE realize that a life insurance agent is usually a man who "likes people" and wants to help them.

What isn't so obvious is that *wanting* to be helpful isn't enough. An agent must also *know how* . . . and *that* requires knowing how changing conditions affect policyholders.

For instance, agents today must be able to answer such new questions as: "Is my life insurance affected by the new war clauses?" . . . "Do the new taxes require any change in my life insurance arrangements?" . . . and scores of other questions arising from changing conditions.

An agent is always "going to school" because, policyholders are continually confronted with new life insurance problems. As they arise, the agent must be ready with advice and counsel. Accordingly, he prepares himself in many ways; for example, he attends educational meetings and takes correspondence courses. His studies begin the first day he enters the business and continue until he retires.

Last year, many Metropolitan Managers and Assistant Managers, who supervise and train agents, attended 91 special three-week schools. Additional schools are now in progress. Field training instructors are constantly at work with the agents both in the field and in classrooms. Nearly a thousand field-men are enrolled in, or have completed, the course which brings the coveted designation, "Chartered Life Underwriter."

In short, keeping abreast of new developments and how they affect your life insurance program is a big part of the field man's responsibilities. If you are a Metropolitan policyholder these facts are worth keeping in mind.

When problems arise in connection with your life insurance, remember that your agent has probably been confronted with the same questions before. He will be glad to help you . . . to give you the benefit of his knowledge, training, and experience . . . to seek, when necessary, the benefit of the advice of Head Office specialists.

This is Number 49 in a series of advertisements designed to give the public a clearer understanding of how a life insurance company operates. Copies of preceding advertisements in this series will be mailed upon request.

Metropolitan Life Insurance Company
(A MUTUAL COMPANY)
NEW YORK
Frederick H. Ecker, CHAIRMAN OF THE BOARD — *Leroy A. Lincoln*, PRESIDENT
CANADIAN HEAD OFFICE, OTTAWA

Men Loaned to Munitions & Supply

These are men loaned for the war's duration to the Department of Munitions and Supply as reported in a return tabled to the House of Commons. In a few cases, work now being done has changed since this return was tabled and the change has been noted here though the former basis of compensation is given here.

Name	Peacetime Position	Present Position or Duties	Allowance Paid
H. M. Ainsworth, Ottawa.		Special Consultant, Tank Production.	Living allowance $20 day & travel. exp.
Thomas Arnold, Montreal.	Chairman, Manitoba Steel Foundries Ltd.	Machine Tools Controller; President Citadel Merchandising Co. Ltd.	Travelling expenses. No salary.
T. F. Aspden, Winnipeg.	Man. Dir., Orange Crush (Western) Ltd.	Assistant to Assoc. Director Gneeral.	Living allowance $12.50 day.
C. A. Banks, Vancouver.	Man. Dir., Placer Development Ltd.	Liaison Officer, London, Eng.	Exp. incl. travel. exp. up to $3 per day.
Geo. C. Bateman, Toronto.	Secretary Ontario Mining Association.	Metals Controller.	Travelling expenses. No salary.
B. D. Beamish, Toronto.	Pres., Beamish Sugar Refineries Ltd.	Director General, Tank Production.	Living allow. $15 day, travel. expenses.
R. P. Bell, Halifax.	Pres., Pickford & Black Ltd.	Director General, Aircraft Production.	Living allow. $25 day, travel expenses.
R. C. Berkinshaw, Toronto.	Gen. Mgr. and Treas., Goodyear Tire & Rubber Co.	Assistant Deputy Minister in charge of Industrial Controls.	Expenses when absent from Ottawa.
Henry Borden, K.C., Toronto.	Barrister.	Member, Executive Committee.	Living and travelling expenses.
J. R. Boys, Barrie.	Barrister.	Legal Officer, Munitions Contracts.	Living and travelling expenses.
F. H. Brown, Toronto.	Supt., Canadian Bank of Commerce.	Assistant Dep. Min. for Procurement.	Living allow. $15 day, travel. expenses.
K. M. Brown, Toronto.	Gen. Mgr., Coast Sawmills Ltd.	Assistant Timber Controller.	Travelling expenses.
E. J. Branning, Montreal.	Pres., Consumers Glass Co. Ltd.	Director General Ammunition Production.	Travelling expenses.
A. B. Buckworth, Toronto.	Executive.	M&S Officer, Ottawa Car & Aircraft.	Travelling expenses, living expenses.
T. M. Callaghan, Toronto.	White Pine Bureau.	Inspector for Timber Control.	Travelling expenses.
H. J. Carmichael, St. Catharines.	Vice-pres., General Motors of Canada Ltd.	Director General, Gun Production; President, War Supplies Ltd.	No. salary. No money paid so far.
J. B. Carswell, New York.	Former Pres., Burlington Steel Co.	Liaison Officer between M&S and B.P.C.	Living allow $20 a day, travel. expenses.
D. A. Clarke, Montreal.	Pres., Clarke Steamship Co.	Director General of Shipbuilding.	Living exp. in Ottawa, travel. expenses.
F. M. Connell, Lansing.	Mining Engineer.	Deputy Metals Controller.	Living and travelling expenses.
G. R. Cottrelle, Toronto.	Pres., Western Canada Flour Mills.	Oil Controller.	Travelling expenses.
F. A. Cramp, Montreal.	A. C. Leslie Co. Ltd.	Asst. to Director, U. S. Priorities for Steel.	Travelling expenses.
L. M. Crandall, Pembroke.	Gen. Mgr., Pembroke Shook Mills Ltd.	Technical Advisor, Timber Control.	Travelling expenses.
M. G. Creswick, Toronto.	Dist. Mgr., W. F. Vilas Co. Ltd.	Co-ordination Branch.	Living and travelling expenses.
Aubrey Davis, Newmarket.	Pres., Davis Leather Co. Ltd.	Technical Consultant (leather).	Living allow. $15 day except at Newmarket, travelling expenses.
N. B. Davis, Ottawa.	Transferred from Civil Service.	Staff, Metals Controller.	Travelling expenses.
F. G. T. Dawson, Westmount, Quebec.	Fairey Aviation Co. Ltd., England.	Aircraft Production Branch.	No money paid.
J. C. Dawson, Welland.	Atlas Steels Ltd.	High Speed, Tool and special Alloy Steels.	Living and travelling expenses.
W. H. DeBlois, Montreal.	Chemical Engineer.	Chairman, Heavy Chemicals Division. Deputy Controller of Chemicals.	Travelling expenses.
J. H. Dougherty, Montreal.	Canada Iron Foundries Ltd.	Assistant to Steel Controller.	Living expenses.
G. D. Drummond, Montreal.	Pres., Drummond & Co. Ltd.	Consultant on Munitions Production.	Living and travelling expenses.
C. W. Drury, Toronto.	Metallurgical Engineer.	Director of Metallurgy, Army Engineering	$15 day living allow, travelling expenses.
W. F. Drysdale, Montreal.	Vice-pres., Montreal Locomotive Works.	Director-General, Industrial Planning.	Travelling expenses.
J. Eaton, Montreal.	Asst. Gen. Purch. Agent, C. P. R. Rly.	Director-General, General Purchasing Br.	Living and travelling expenses.
G. Evans, Toronto.	Dominion Bridge Co. Ltd.	Steel Plates and Bars for Steel Control.	Living and travelling expenses.
S. W. Fairweather, Montreal.	Chief of Research Development, C. N. R.	Director-General, Economics & Statistics.	Living and travelling expenses.
W. J. Gagnon, Montreal.	Pres., Wilfrid Gagnon Ltd.	Joint Director-General, Purchasing.	Living expenses. No money drawn to date.
C. W. Gale, Hamilton.	Burlington Steel Co.	Washington Rep., Steel Controller.	$15 day living expenses.
A. F. Garland, Montreal.	Inspector, Bank of Commerce.	Consultant, Munitions Contracts.	Living allow. $15 day, travelling expenses.
T. A. Gill, Montreal.	Shawinigan Chemicals Ltd.	Chairman, Solvents Div. of Chemical Cont.	Travelling expenses.
J. S. Godard, Ottawa.	Research and Metallurgical Engineer.	Engineer for Metals Control.	Living and travelling expenses.
W. E. Golding, Saint John, N.B.	Vice-President, Geo. McKean & Co. Ltd.	Rep. Saint John for Timber Control.	Travelling expenses.
G. G. Goodall, Montreal.	Canadian International Paper Co.	In charge of Lumber Purchases.	Living allow. $7 day.
J. E. Goodison, Sarnia.	Vice-Pres., Goodison Thresher Co. Ltd.	Industry & Sub-contract Co-ordination Br.	Living and travel. exp., except at Sarnia.
Gordon Crawford, Jr., Toronto.	Office Mgr., Candn. Gen. Electric Co. Ltd.	Director, Personnel & Organization Br.	Living allow. $15 day except in Toronto.
J. D. Gray, Montreal.	Dominion Iron Steel Co.	Assistant Steel Controller in charge of Steel Priorities and Allocation.	Living exp. five days a week while in Ottawa, travelling expenses.
H. B. Greening, Hamilton.	President, B. Greening Wire Co. Ltd.	Shipbuilding Branch, Hamilton.	Travelling expenses.
E. T. Griffith, Stratford.	Pres., G. L. Griffith & Sons Ltd.	Adviser, Controller of Supplies.	Travelling expenses.
Lt.-Col. W. A. Harrison, Saint, John, N.B.	Vice-Pres., Estabrook Ltd.	Member. War Supply Board.	Actual expenses.
R. A. C. Henry, Montreal.	Vice-Pres., Montreal Light, Heat & Power.	Economic Advisor. Member of the Canadian Section of Joint Economic Committee.	Travelling expenses.
Lt.-Col. E. Hibbert, Ottawa.	Consulting Engineer.	Consulting Engineer.	Travelling expenses.
M. A. Hoey, Montreal.	Purching Agent, Canada Cement Co. Ltd.	Deputy Steel Controller.	$10 day living allow. at Ottawa, travel exp.
E. J. Johnson, Montreal.	Defence Industries Limited.	Anti-sabotage work.	Living while in Ottawa, travelling exp.
George Jolly, Toronto.	Wilkinson & Kompass Ltd.	Control of Warehouse Steel Trade.	Living while in Ottawa, travelling exp.
C. R. Kavanagh, Ottawa.	Manager. Bank Clearing House, Ottawa.	Auditor of Munitions Contracts.	Expenses $3.50 day.
H. C. Kennedy, Montreal.	William Kennedy & Sons Ltd.	Liaison, Steel Control & Wartime Merchant Shipping Ltd.	Travelling expenses.
F. B. Kilbourn, Montreal.	Vice-Pres., Canada Cement Co. Ltd.	Steel Controller.	Travel. and administration expenses.
W. F. Knoll, St. Johns, Que.	Dominion Steel & Coal Corp. Ltd.	Maritimes Manager, Industry & Sub-contract Co-ordination.	Travelling expenses.
J. L. Lang, Sault Ste. Marie.	Lang & Ross, Engineers & Contractors.	Investigator, Northern Ontario.	Living exp. except at Sault Ste. Marie, travelling expenses.
Lt.-Col. Laurie, K.C., Oakfield, N.S.		Industrial Security.	Living exp. except in Oakfield, N.S.
Edward B. Leadley, Port Colborne, Ont.	Canadian Furnace Ltd.	Supervision of Scrap and Steel Control.	Living and travelling expenses.
H. J. Leitch, Montreal.	General Sales Manager, Algoma Steel.	Assistant to Director-General, Shipbldg.	Living and travelling expenses.
H. Lewis.	Lewis Trading Co.	Investigator, Steel Control.	Travelling expenses.
J. D. Lorimer, Westmount, Que.	Vice-Pres., May and Baker (Canada) Ltd.	Controller of Chemicals.	Living, travelling and administration exp.
John S. Louson, Montreal.	U. S. Steel Export Co.	Assistant to Steel Controller.	Living and travelling expenses.
W. D. Low, Montreal.	Canadian National Rlwys.	Purchasing Assistant to Deputy Minister.	Living allowance $10 day.
R. D. MacDonald, Montreal.	Partner of Ross & MacDonald. Architects.	Washington Office.	Living $15 day (U. S. funds), travel. exp.
Kenneth D. MacMillan, Toronto.	Asst. to President, Cordage Distributors.	Advisor on Rope Control.	Living, travel. exp. No money drawn yet.
J. P. D. Malkin, Vancouver.	Retired.	Director-General, Purchasing Branch.	Living and travelling expenses.
J. A. Martin, Kitchener.	Vice-Pres., Dominion Rubber Co., Ltd.	Rubber Advisor to Rubber Control.	Living and travelling expenses.
C. W. Marshall, Montreal.	Pres., Dominion Structural Steel Ltd.,	Distribution of Structural Steel.	Living and travelling expenses.
H. N. Mason, Montreal.	Dominion Bridge Co. Ltd.	Supervisor, Warehouse Steel Sales.	Travelling expenses.
Maj. F. M. Mathias, D.S.O., Toronto.	Canadian Bank of Commerce.	Liaison Officer with Treasury and Branches of Munitions Contract Branch.	$7 day living allowance.
F. Maw, Hamilton.	Vice-Pres., B. Greening Wire Co. Ltd.	Shipbuilding, Hamilton.	Travelling expenses.
C. E. McCullogh, Halifax.	Pres., McCullogh & Hogan Ltd.	Representative, Halifax, Timber Control.	Travelling expenses.
O. J. McCullogh, Montreal.	Consulting Structural Engineer.	Defense Projects Construction.	$35 day for any day engaged, travel. exp.
Wm. McCready, Toronto.	T. Eaton & Co. Ltd.	Certifying Officer, Duties & Taxes.	Living and travelling expenses.
J. A. D. McCurdy, Montreal.	Director, Manitoba Aircraft Industries Ltd.	Assistant Director of Aircraft Division.	Living allow. $15 day, travel. expenses.
Anson McKim, Montreal.	Canadian Industries Ltd.	Assistant to Director-General, Washington.	Living allow $10 (U. S.), travel. expenses.
F. C. Mechin, Montreal.	Manager, Imperial Oil Co.	Advisor on Petroleum Products.	Living and travelling expenses.
John Millar, Toronto.	Vice-Pres., Lever Bros. Ltd.	Chairman, Heavy Chemicals Div.	Travelling expenses.
C. L. Moffat, Maple.	Manager (Western Div.) Moffats Ltd.	Advisor on Stove Control.	$8 day living allow., travel expenses.
O. H. Moore, Toronto.	Consultant Engineer.	Advisor on Pitprops and Pulpwood.	Travelling expenses.
W. E. Morley, Sault Ste. Marie.	Algoma Steel Corp. Ltd.	Staff of Steel Controller.	$5 day living allow., travel. expenses.
J. G. Morrow, Hamilton.	Chief Metallurgist, Steel Co. of Canada.	Technical Advisor, Steel.	No money paid to date.
Robert L. Morrow, Vancouver.	Director, Pemberton & Sons.	Head of Clothing Division.	Living allow. $10 day, travel. expenses.
Forest Nagler, Toronto.	Canadian Allis-Chalmers Co.	Consultant. Army Engineering Design.	Living and travelling exp. No money drawn to date.
I. G. Needles, Kitchener.	Sales Manager, B. F. Goodrich Rubber Co.	Consultant on Rubber Control.	Living and travelling expenses.
S. G. Nicholls, Toronto.	Goodyear Tire & Rubber Co. Ltd.	Staff of Rubber Control.	Living and travelling expenses.
A. S. Nicholson, Burlington.	Nicholson & Cates.	Timber Controller.	Travel. and admin. exp., living expenses.
J. E. Parker, Montreal.	General Steamship Agent, C. P. R.	Supervisor of Warehousing.	$12 day living allow., travel. expenses.
E. Clint Perley, St. Catharines.	Sales Manager, English Electric (Can.).	Senior Production Engineer, Tank Prod'n.	Living allow $15 day.
Dr. J. R. Petrie, Fredericton, N.B.	Professor Economics, University of N. B.	Liaison for Industry & Sub-contract Co-ordination Branch.	Living and travelling expenses.
W. Pittman, Montreal.	Steel Co. of Canada Ltd.	Assistant in Structural Steel Division.	Travelling expenses.
R. A. Renwick, New Westminster, B.C.	Sales Manager, B. C. Manufacturing Co.	Advisor on Box Shooks.	Travel. exp. No money drawn to date.
R. H. Robinson, Montreal.	President, Ottawa Valley Co. Ltd.	Montreal Representative, Timber Control.	Travelling expenses.
S. F. Rook, Toronto.	Laidlaw Co. Ltd.	Assistant Timber Controller.	Living allow. $7 day.
F. M. Ross, Saint John, N.B.	Pres., St. John Drydock & Shipbuilding.	Director-General, Naval Armaments and Equipment.	Travelling expenses.
H. H. Ross, Edmonton.	Pres., H. H. Ross Lumber Co.	Edmonton Representative.	Travelling expenses.
R. L. Sargent, Ottawa.	Manager, Canadian Lumbermen's Assoc.	Statistician for Timber Control.	Travel. exp. No money drawn to date.
W. W. Scoville, Winnipeg.	Pres., Scoville Timber Co.	Winnipeg Representative, Timber Control.	Travel. exp. No money drawn to date.
N. H. Smith, Ottawa.	Engineer, Mines & Resources.	Resident Technical Officer, Munitions.	Living allow. $5 day.
W. E. Spackman, Burford.	Retired bank manager.	M. & S. Representative at York Arsenals.	Living allow. $5 day.
D. Stairs, Montreal.	Supervisor, Montreal Engineering Co.	Director of Defense Projects Construction.	Travelling expenses.
S. J. Staniforth, Montreal.	Pres., Staniforth Lumber Co. Ltd.	Assistant Timber Controller, Hardwood.	Living and travelling expenses.
W. H. Stoker, Hamilton.	Steel Co. of Canada.	Statistical Assistant to Steel Control.	Living and travelling expenses.
Dr. R. K. Stratford, Sarnia.	Director of Research, Imperial Oil Co. Ltd.	Chemicals & Explosives Liaison, Wash.	Living and travelling expenses.
L. V. Sutton, Toronto.	Holmestead, Sutton & Hill.	Legal Branch.	Living $15 day, travelling expenses.
H. J. Symington, K.C., Montreal.	President, Trans-Canada Air Lines.	Power Controller.	Travel. and admin. exp. No money drawn to date.
A. E. Taylor, Hamilton.	Accountant, Steel Co. of Canada Ltd.	Accounting Analyst for Steel Control.	Living allow. $7 day, travelling expenses.
H. K. Thompson, Toronto.	Legal Officer, Canadian Gen. Elec. Ltd.	Assoc. Director-General of Munitions.	Living expenses.
E. J. Trott, Montreal.	General Manager, International Paints.	Paint, Lacquer, Chemicals Control.	Living and travel exp. No money drawn to date.
A. Vallee, K.C., Montreal.	Barrister.	Legal Advisor, Transit Control.	Travel. exp. No money drawn to date.
A. A. Walker, Toronto.	Financial Counsel.	Assistant Director-General of Priorities.	Living allow. $15 day, travelling expenses.
H. Webb, Toronto.	Cockfield, Brown & Co. Ltd.	Consultant in Publicity.	Travel. exp. No money drawn to date.
R. C. P. Webster, Maitland, Ont.	Joint Owner, Maitland Charts.	Consultant, Army Engineering Design.	Living expenses.
G. R. B. Whitehead, Montreal.	Barrister.	M. & S. Legal Branch.	Living allow. $3.50 day.
F. V. Wilson, Toronto.	Sales Mgr., Canadian General Lumber Co.	Timber Control Representative at Toronto.	Travelling expenses.
W. J. Worden, Farnham, Que.	Manager, St. Lawrence Rubber Co. Ltd.	Staff of Rubber Control.	Living and travelling expenses.
C. E. Wright, Maitland, Ont.	Chief Engineer, Ontario Steel Products Co.	Assistant Chief, Gun Division.	Living allow. $15 day, travelling expenses.
A. H. Zimmerman, Niagara Falls.	Moore Research & Service Co. Inc.	Chief, Small Arms Division.	Travelling expenses.

Your Investments

What We Do:

1. Give information on Canadian securities to Financial Post subscribers.
2. Publish anonymously letters of general interest.
3. Supply facts rather than opinions.

What We Don't Do:

1. Answer enquiries of non-subscribers.
2. Answer enquiries on foreign securities.
3. Reply by telephone or telegraph.
4. Select list of securities; express opinions; or make forecasts.

Three-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed. Address letters to The Financial Post, 481 University Ave., Toronto 2.

Sutton-Horsley

There does not seem to be much recent information around on Sutton-Horsley. Please bring me up to date on this company.

Annual report of Sutton-Horsley Ltd. for 1941 is expected shortly and will probably show fairly substantial earnings available for the common stock as compared with a small loss in 1940.

An initial dividend of five cents a share is being paid on June 20.

Sutton-Horsley is now active on war orders and has carried out a considerable expansion of its plant. It is a comparatively young organization which was just beginning to get started before the war which makes its investment status difficult to appraise.

At present dependent upon war orders, the company was originally organized to make precision and scientific instruments, particularly those related to X-ray, electrical and aircraft industries.

Manitoba Sugar

In view of the current sugar situation, how do debentures of Manitoba Sugar Co. rank as an investment?

Manitoba Sugar Co. is just getting underway, having been incorporated in 1939. It has completed production from two years' crop of sugar beets and has plans underway for the 1942 season. Indications are that acreage to be sown to sugar beets in 1942 will be about the same as last year. The 1941 crop, however, suffered from unusually difficult harvesting conditions and only about 93,000 tons of beets were delivered to the factory, although expectations at the beginning of the harvest were that more than 110,000 tons of beets would be marketed. One of the most serious problems facing sugar beet growers this year is that of securing labor. The demand for domestically produced sugar will be greater than ever in view of difficulty in importing supplies from other countries. Manitoba Sugar Co. issued its first report covering a 15-month period ending March 31, 1941, last fall. This report showed a net profit of $58,600 after paying all expenses, including interest and depreciation. It should be remembered that interest on the company's 5% first mortgage debentures is unconditionally guaranteed as to principal and interest by the Province of Manitoba. Thus the market price for these securities will vary pretty much in the same relation as do those of the province itself.

Western Savings

Some information on Western Savings & Loan Association would be appreciated.

Western Savings & Loan Association statement as at the end of 1941 shows further growth in assets and business in force. The Association reported total assets of $3.5 millions securing liability to certificate holders of $2.9 millions at the end of 1941. The excess of assets over liabilities had grown from $484,000 at the end of 1939 to $654,000 at the end of 1941. To the end of 1941 the Association had returned to purchasers of its savings certificates a total of about $3 millions.

Western Savings & Loan Association sells savings certificates which require installment payments extending over a period of years. These payments are calculated to mature the certificates for a definite amount. Certificates carry a cash or loan value which can be realized by the purchaser although ordinarily about 7 years is required before these accumulated values equal the amount of payments made by the purchaser. Revisions in certificates have been made recently in keeping with changes in such factors as interest rates. Investments are limited to those committed to trustees or to the securities of trustee companies themselves.

Okanagan Investments

What is the market on Okanagan Investment Ltd. shares? What are the company's recent earnings and operations records?

We are unable to find a market for the shares of Okanagan Investment Ltd. Enquiry indicates that this company is closely held and that the best way to get a market is to write to the company itself. If you were to write to O. St. P. Aitkens, manager, Kelowna, B.C., he should be able to tell you what could be obtained for the shares. Okanagan Investment acts as a broker, real estate and insurance agent. A subsidiary handles estates and trust and agency business. Main investments consist of Dominion, municipal and corporation bonds, mortgages, real estate and some common stocks. A recent policy has been to avoid mortgage investments except in exceptional cases. In the year ended June 30, 1941, net profits were equivalent to $2.29 a share, as compared with $2.76 a share in 1940, and $3.76 in 1939. Annual dividend rate has been reduced to 2% from the 3% paid in 1940 and 4% in preceding years. The company is not a large one. It had total assets of $479,225 at June 30 last.

Investment Notes

W. D. Benson of R. Moat & Company has been elected a member of the Montreal Stock Exchange. The new member was formerly active on the Partner's Committee of both the Montreal Stock Exchange and the Montreal Curb Market and is a member of the Board of Governors of the Canadian Commodity Exchange.

* * *

Toronto Stock Exchange borrowings as at the end of May 30, 1942, totalled $8 millions, a decrease of $1 million from April and $1 million higher than May, 1941. At the same time, quoted market value of all listed stocks as at May 31, 1942, totalled $3,289 millions, an increase of $62 millions from April. Ratio of borrowings to quoted market values amounted to .26 of 1% as compared with .31 of 1% at the end of April and .22 of 1% in May, 1941.

* * *

Port of Montreal collections for May were 9.8% over a year ago at $17.9 millions compared with $16.3 millions. A new high for May was set, although still well below the $21.6 millions record established last October. For the first five months of 1942 collections totalled $85.7 millions, compared with $71.6 millions the corresponding period of 1941 and $51.5 millions, 1940.

* * *

Brown Corp. reports work started on the $500,000 addition to its La Tuque, Que., pulp mill. John Wickenden, Three Rivers, has the general contract.

* * *

Canadian Pacific Air Lines has transferred its western headquarters temporarily from Winnipeg to Edmonton, C. H. Dickins, vice-president and general manager, announces. Alaska highway and military projects in the area north of Edmonton have resulted in "an enormous volume of air transportation" for U. S. and Canadian government use. G. W. G. McConachie, general manager for western lines, has moved to Edmonton for the duration.

* * *

Foundation Co. of Canada, with the dividend payable July 18 (record June 30) increased its quarterly dividend rate to 35 cents a share from 25 cents. During the two previous quarters a dividend of 25 cents plus an extra of the same amount was paid. This procedure has now been discontinued in favor of a ten cent increase in the quarterly dividend rate.

Underground Raid Shelters Said Not Good For Morale

Underground air raid shelters for the entire population would require uneconomic expenditure of labor and materials and present serious problems in health and morale.

So states the current issue of The Journal of the Royal Architectural Institute of Canada, which is given over to a discussion of designs for shelters and bomb resistant structures and the protection of buildings against aerial bombardment.

Such cities as Montreal, Toronto and Detroit are far more vulnerable to air attack than most people like to realize.

"The possible invasion routes to Canada are well known," says The Journal. "Obviously the cities on both coasts are vulnerable; the Japanese route from the Aleutians to Alaska is frequently illustrated in the press; Hudson Straits are open at times known to the enemy as well as ourselves and a carrier based in the bay could fly planes to industrial Ontario and Michigan in three hours.

"The probability of an aircraft carrier ever standing off our east coast may not be great; but the appearance of a plane-carrying battleship like the Tirpitz is not outside the realms of possibility. The German command must often look longingly at the map of our east coast."

A German bomber pilot could lunch on his battleship (in the Atlantic) by 1 p.m. and return for tea after bombing Montreal, Toronto, Detroit, Niagara Falls or Buffalo.

The special issue prints the findings of a committee headed by A. S. Mathers which made a detailed study of protection against aerial bombardment. An introduction by Gordon McL. Pitts, president of the Royal Architectural Institute of Canada, states:

"As the bombing attacks of the enemy produce their most damaging effects on the buildings and homes of the people, and as the design of these in all their parts is the function of the architect, it seems but fitting that the profession should be thoroughly versed in the most approved methods of designing and protecting buildings and shelters to resist the explosive action of bombs, and more particularly to insure the safety of the inmates."

A National Duty—

AN INVESTMENT OPPORTUNITY

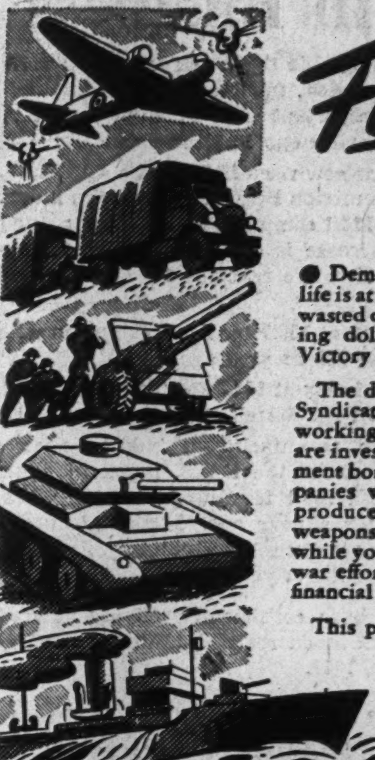
There is no type of investment available in this country which, from the standpoint of security of principal, attractive interest yield and ready marketability, can compare with DOMINION OF CANADA BONDS

Telephone WAverley 3681

DOMINION SECURITIES CORPORATION LIMITED

TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.

15 King Street West, Toronto



Fighting Dollars

● Democracy is menaced! Our way of life is at stake. Idle dollars are slackers—wasted dollars are criminals. Only working dollars are fighting dollars—have Victory Value, and Victory is everything!

The dollars you invest with Investors Syndicate of Canada Limited never stop working for you and for your Country—are invested to a large extent in Government bonds and other securities of companies which work night and day to produce and transport war-winning weapons, supplies and services. And while your dollars are helping Canada's war effort, they are also building future financial security for yourself.

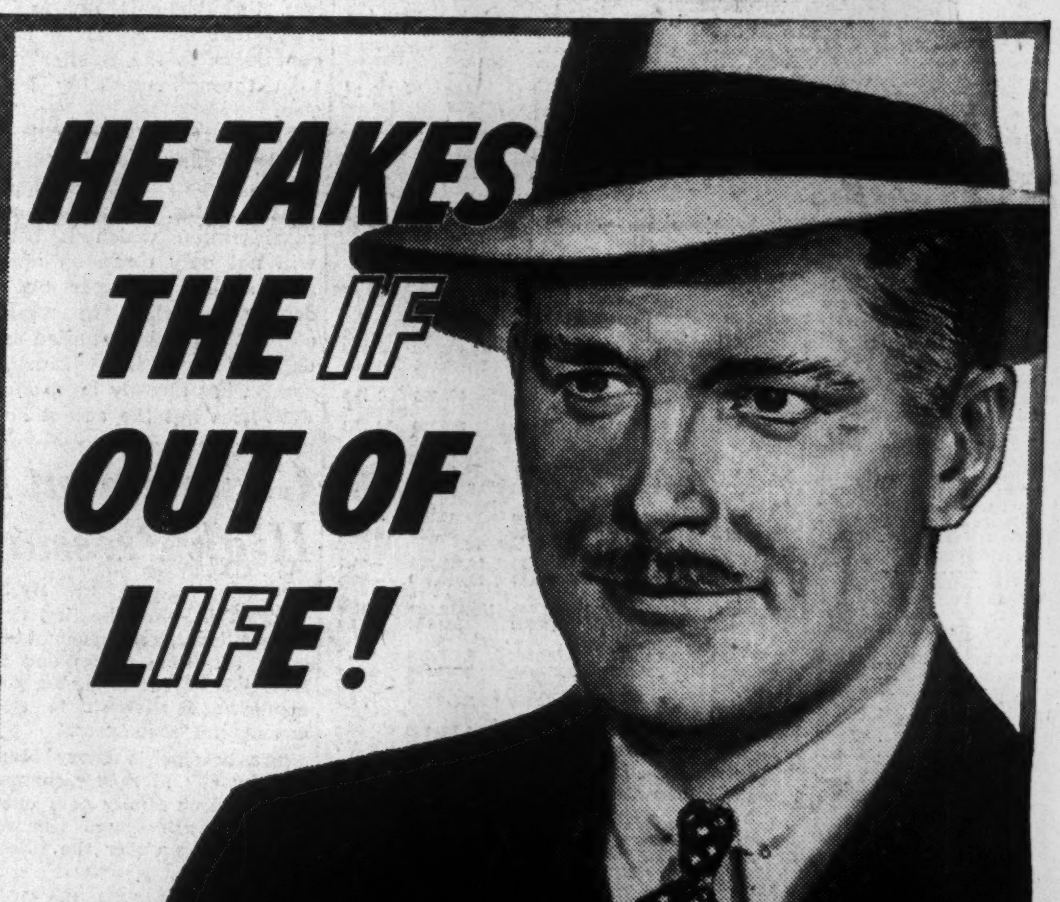
This plan is time-tested. It provides a good return consistent with safety and flexibility. Write today to nearest office for complete details.

INVESTORS SYNDICATE OF CANADA LIMITED

Head Office: Winnipeg, Man.

Agency Offices at: St. John, N.B.; Three Rivers, Que.; Montreal, Que.; Toronto, Ont.; Hamilton, Ont.; London, Ont.; Fort William, Ont.; Regina, Sask.; Saskatoon, Sask.; Edmonton, Alta.; Calgary, Alta.; Kamloops, B.C.; Vancouver, B.C.

HE TAKES THE IF OUT OF LIFE!



IF nothing unexpected happens, your family will always be taken care of.

IF there is money enough, your children will go to college.

IF you can save enough, you will retire one day in comfort and financial independence.

But how big is that IF?

Why not let a Mutual Life representative show you how to take the "if" out of your life? He can help you find *security* through "continued income" : : for your family, should need arise, for yourself when you retire or for any special need.

Experienced and trained in the solution of problems such as yours, the Mutual Life representative is a man whose advice you may accept with confidence. Let him show you how an *adequate* protection plan can be individually designed for you : : : expressly fitted to your needs in the critical years ahead:

HAVE YOU ASSURED "CONTINUED INCOME" FOR THESE VITAL NEEDS?

1. Immediate cash to take care of special obligations.
2. A lifetime monthly income for your wife and family.
3. Additional income for education and other special needs while children are growing up.
4. A special fund for payment of the mortgage on your home.
5. Adequate *personal* "continued income" for the day when you wish to retire.

All these needs *can and should be met* by your life insurance program. If *your* plan is not complete, your nearest Mutual Life representative will gladly give you his advice and assistance. Or write direct to The Mutual Life of Canada, Waterloo, Ont. Do it today!

THE MUTUAL LIFE OF CANADA

Established 1869

HEAD OFFICE • WATERLOO, ONT.

Banking Service

1817-1942

BANK of NEW SOUTH WALES

Head Office: Sydney, Australia

General Manager: SIR ALFRED DAVIDSON, K.B.E.

Assets of £150 millions. Over 870 branches in Australia, New Zealand & Pacific Islands.

London Offices at 29 Threadneedle St., E.C.2. and 47 Berkeley Square, W.1.

Agency arrangements with Banks throughout Canada.

Designers and Manufacturers

CONVEYING AND ELEVATING EQUIPMENT

MODERN POWER TRANSMISSION EQUIPMENT

COAL AND ORE HANDLING BRIDGES

WELDED PROCESSING EQUIPMENT

STEAM GENERATING EQUIPMENT

BALDWIN-SOUTHWARK HYDRAULIC PRESSES

We Invite Your Inquiries

UNITED STEEL CORPORATION LIMITED

TORONTO . WELLAND DODGE CANADIAN MEAD MONTREAL . WINNIPEG

Do Not Attempt To Draw Up Your Own Will

Lest your estate be dissipated by costly contests, consult a capable, experienced attorney about your will. It is neither wise, nor economical to attempt drawing that most important document without competent legal advice.

We will gladly give to you and your attorney any additional information which you may seek in connection with Trust Company administration. A member of our staff is at your disposal should you care to discuss the services of a Trust Company.

MONTREAL TRUST COMPANY

Montreal Trust Building

TORONTO

THE FINANCIAL POST

Largest Circulation of All Canadian Financial Papers

Vol. XXXVI | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, JUNE 13, 1942 | 10c a Copy; $5.00 a Year | No. 24

Paper is Needed For Victory
Do not burn or destroy this copy. See that it goes to paper salvage.

First Draft For Canada's Postwar Pattern

Parliamentary Committee Issues Its "Basic Memorandum"

Check List For a New Canada

James Committee Looks Beyond the War

National Income	**To be held at wartime levels or higher — full employment to be general.**
Free Enterprise	**Big chance for F.E. coming in post-war "boomlet" — Should preserve F.E. as long as we can, may need government aid and spending.**
Planning	**Primarily a cabinet responsibility — should keep new boards to minimum.**
Industry	**May be some rationalization — closing less efficient units — and decentralization to spread benefits, give regional full employment.**
War Controls	**Most should go, exchange control likely to stay longest.**
Foreign Trade	**Favor broad internationalism, but tightly compartmented tariff zones may develop. Lease-lend may mark new trend in trade financing.**
New Controls	**To come in as part of government aid if private enterprise can't meet postwar problems.**
Gold Policy	**Largely outside Canada's direct control. No return to old gold standard likely. Position of gold depends on U.S.**

By KENNETH R. WILSON

The curtain went up a few days ago on one of the most important previews of this decade—a preview of the pattern of postwar Canada.

The show was staged by a select Parliamentary committee of the House of Commons on Reconstruction and Re-establishment. Chief performer was Dr. F. Cyril James, Principal of McGill University.

Dr. James is chairman of a small permanent advisory group named last year to examine postwar reconstruction. These men are not civil servants. They were chosen to study the economic and social consequences of the peace because of their competence to take a broad view of Canada's needs and position rather than to represent a specialist administrative point of view.

The Ottawa show was the first tentative report of conclusions and studies presented by this committee to its Parliamentary masters. Already this committee has made important preliminary studies on the shape of things to come. Specialized studies have been initiated; subcommittees appointed on agricultural policy, postwar employment, natural resources, constructions, projects and so forth.

Now in its fourth or fifth provisional "draft" stage is a "Basic Memorandum" which sets forth the committee's basic assumptions and tentative conclusions. It is these plans and ideas which Dr. James discussed publicly for the first time at Ottawa. He added important personal observations as to the sort of world in which Canada may find herself following a victorious peace.

Starting point in this postwar pattern is the attainment of full employment:

"We felt," said Dr. James, "that there should be one clear key, one nucleus to which everything else was related; and for our Committee that nucleus has been the attainment of full employment within the Dominion of Canada . . . coupled with the ideal of an increase in our standard of living."

Dr. James believes reconstruction is not something which begins one second after the last gun has fired; not a problem of the future, but something intimately related to the present and past, "a continuing aspect of present policy."

We Keep Our Freedom

"As well," says Dr. James, "we should attempt to preserve as far as we may, compatibly with the attainment of full employment, the basic Canadian tradition of free enterprise and personal initiative in both political and economic life.

"We are not envisaging the decrees of a completely new society, nor are we writing a Utopian programme of what society might be if there were no traditions. We are attempting to envisage a situation in which there will be carried on all the basic Canadian traditions that we embody in the phrases: 'personal liberties' and 'democratic institutions.'"

What will happen to private enterprise under such a programme, the Parliamentarians wanted to know? Replied Dr. James:

"The idea before us is to preserve private enterprise and free institutions as far as that is compatible with the maintenance of free employment."

What the experts envisage is a postwar boom of one or two years' duration, followed by a postwar recession. If there is such a boom, and the committee accepts that idea "very tentatively," it will be less intense than after the last war. Three reasons are given:

(1) There will be a smaller accumulation of consumer spending power due to higher taxes, less profiteering, control of wages and prices, etc.

(2) Absence of substantial cash bonuses paid to returned soldiers (government policy in this war contemplates a series of periodic payments during re-education, retraining, unemployment or interrupted education).

(3) Less desire on the part of the average man in the street to get back to "business as usual" than in 1918.

Last Chance for Enterprise

This "breathing spell" is to be the big and perhaps the final opportunity for private enterprise. Says the basic memorandum:

"The boom will offer an opportunity for private initiative, under the spur of profit, to put our economic house in order."

Or to quote Dr. James:

"I envisage that period of the postwar boom as one in which private enterprise will be given an opportunity, with maximum assistance from the government, to reconstruct the Canadian business system as well as they are able to and as far as they are able to, during that short period of prosperity; always bearing in mind the fact that there will be certain over-all limitations to the extent to which any individual group could go if it threatened to unbalance the economy."

But the moment will come ("in all probability within a year or at the conclusion of hostilities") when business starts to slump; when "it becomes apparent that reconstruction is not proceeding smoothly under the stimulus of private initiative."

Canada will then be confronted by rapidly rising unemployment and widespread dissatisfaction. Private initiative will have had full opportunity to do all it can in the direction of rehabilitation, "then governmental action would be necessary to meet the problem when the major recession occurred."

Three-Way Reconstruction

Here, briefly, are the lines along which the reconstruction programme is being planned:

(1) Problems entirely domestic and where Canada can proceed entirely on its own initiative: (employment opportunities within the Dominion; conservation and utilization of natural resources; development of plans for publicly-financed construction projects).

(2) Problems within the field of domestic action but whose solution will be greatly affected by developments in other parts of the world (relaxation of wartime controls; rehabilitation of agriculture and industry).

(3) Problems affecting Canada's future prosperity but depending in large measure upon international discussion and co-operation; (structure of the world economy; monetary and fiscal policies; Canada's foreign trade).

High lights of the domestic programme include a well-planned programme of publicly financed work. (No suggestion is made as yet as to who should pay for these works, that is, federal, provincial or municipal authorities.)

Recommended is the creation in Canada of a public works "reserve" as in the United States—the tabulation and analysis of what sort of things ought to be done in individual provinces, communities and areas. What are the desirable projects which contribute to social good? What will they cost in terms of material and labor? How long will they take? There will be an attempt also, to develop standards by which such projects can be handled.

But public works will be considered merely palliatives unless accompanied by a set of new peacetime controls and regulations. Says the basic memorandum:

"In view of the anticipated breakdown of the business system, and of threatened unemployment, the public will be demanding from the central government something more than palliatives in the form of doles or public works—the governmental reconstruction programme must be ready to impose those controls and regulations which would, together with the programme of public works, enable it to work creatively in the direction of establishing a satisfactory social and economic system."

The question of control is thought to be closely related with what is done in other countries. Dr. James queried whether there should be some "joint policy in timing the relaxation of controls so that policy can be co-ordinated on both sides of the Atlantic, or whether each country is going to operate on its own initiative."

Again, the basic memorandum makes this point:

"Even though, as individuals, we may regret the passing of the older order of free trade, competition and capitalism, the available evidence concerning the impact of industrialism on a democratic-capitalistic order of society suggests that the attainment of reasonable economic security for the average individual will demand a large measure of co-ordination and governmental control."

Industry to Rationalize

For industrial rehabilitation, the committee is seeking the co-operation of some of the major industries of Canada in creating their own committees (pulp and paper industry, for example) to study existing plants, capacity, efficiency, etc., from the postwar angle.

Two problems Dr. James outlined were: (1) An early decision as to what factories ought to be scrapped; (2) Plans for rehabilitating the other factories and wartime plants so that they may promptly and effectively begin to manufacture appropriate civilian goods of a kind that are needed.

In the basic memorandum, financial assistance by the government to enterprises which might not otherwise be able to reorganize promptly and efficiently, is suggested.

Dr. James envisaged the possibility of a transfer of industrial activity away from congested areas of population because of the growing number of industries that are not dependent on bulky raw materials:

"The radio industry is a case in point as is the whole electrical industry and the motion picture industry. There are many industries that produce the luxuries and comforts of life which could be distributed around the country.

"To what extent would it be desirable to attempt to locate an electrical industry or a radio industry in Winnipeg?"

Dr. James suggested greater integration of agriculture and industry by the development of seasonal factories in small towns or villages so that farmers could work on their farms in summer and at the factories in winter.

In the broader field of questions involving international discussion and co-operation, the committee believes Canada "should take the lead in discussing with other countries, particularly Great Britain and the United States, the international policies to be adopted at the end of the present war."

In Dr. James' view there are only two conceivable types of organization for the postwar world:

"Either the world must attempt to build up some integrated economic organization, or it must divide into a series of regions, each of which is integrated within itself and protected by barriers of tariffs against other parts of the world."

If there is to be a world economy this implies co-ordination of monetary policies (without in any sense a restoration "of the pre-1939 and still less of the pre-1914 gold standard"). Monetary policy, Dr. James made very clear, is, in his view, "the handmaiden of commerce, industry and agriculture and not itself the governing factor by which the basic activities should be regulated."

Exchange Control to Stay

Foreign exchange controls in something like their present form must continue during the postwar period in order to prevent undesirable capital movement, but those controls, thinks Dr. James, should be administered "in such a way that they interfere as little as possible with normal commercial and industrial operations in the international field."

There must be close and continuous consultation between the monetary authorities of the leading economic powers, and eventually a "supra-national monetary authority" as the ultimate stage in the development of a world economy.

Later, in reply to a question, he said:

"The aggregate national income after this war ought not to be lower than it is during the war and might conceivably be higher."

On the future of gold, Dr. James had this to say:

"I think it is fitting to say that the revaluation of gold, as such, is not of great significance to monetary policy in the light of the general aims of attaining full employment. As to the gold standard in the United States, that standard is not likely to be restored in its pre-1933 form, and gold is now held chiefly for the settlement of international balances rather because it is bought to exercise an effect on economic activity."

Again (expressing his own personal views) he pointed out that in the absence of a supranational monetary authority, the value of gold must depend entirely on the fiat of the United States. That country, he said, might grow tired of accumulating gold and then the price might fall as was the case of silver in 1893.

"I am inclined to think that as its contribution to world prosperity, the United States would probably continue to stabilize the price of gold so that there would be a convenient medium which might be used to settle international balances."

As to Canada's foreign trade, Dr. James emphasized the fact that if Canada is going to continue to sell goods abroad:

"Either it must take payment in goods or services produced in other countries, or it must frankly express its willingness to supply such goods as a long-term capital investment to be paid either by principal and interest in traditional fashion or to be repaid intangibly by better relations and a better ordered world (the lease-lend principle).

"The whole basis of our approval should be that we need things from other parts of the world rather than upon the assumption that other nations ought to buy Canadian goods."

He cited the U. S. lease-lend policies as an instance of the new type of programme which might be developed.

Dr. James expressed his own "holy fear" of setting up new boards and especially anything as comprehensive as a master planning board. After the war the real planning council "should consist of the cabinet and parliament" and the success of reconstruction will depend "entirely on the efficiency and the determination with which the cabinet and parliament undertake that task and assume their responsibility."

The basic memorandum urges that the whole question of reconstruction "should be discussed by the government with the political parties that are at present in opposition since even though these parties did not fully agree with the suggested programme they might reasonably be expected to study the precise extent of their agreement and to prepare specific alternatives to the sections of the programme with which they disagreed."

Reconstruction and Rehabilitation Committee

DR. F. CYRIL JAMES (Chairman) Principal of McGill University; formerly Professor of Finance at the University of Pennsylvania and later Professor of Political Economy and Director of the School of Commerce at McGill.

DONALD G. McKENZIE, Chairman of the Board of Grain Commissioners, President of the Canadian Chamber of Commerce; formerly Minister of Mines and Natural Resources and Minister of Agriculture in Manitoba; a former vice-president of United Grain Growers.

J. STANLEY McLEAN, President of Canada Packers Ltd., a past president of the Canadian Chamber of Commerce and former advisor on food to the British Ministry of Food at Washington.

DR. EDOUARD MONTPETIT, Secretary-general, University of Montreal and Director of the School of Social, Economic and Political Science.

TOM MOORE, President, the Trades and Labor Congress of Canada and Chairman of the National Employment Committee under the Unemployment Insurance Act.

R. C. WALLACE, Principal of Queen's University, formerly Professor of Geology at Manitoba, Commissioner of Mines and Natural Resources for Manitoba, later President of the University of Alberta.

Some Men Who Made Up the Biggest C. M. A. Meeting

K. M. Kilbourn (Wickett and Craig), Toronto, new chairman of the Ontario Division, C.M.A. (left), discusses a convention problem with W. L. Ham (Beatty Bros.), Fergus, retiring chairman of the division.

L. L. Lang, new president, chats with Harold Crabtree, retiring president. Mr. Crabtree has been C.M.A. chief for two years.

(Left) C. N. Moisan (Standard Paper Box), former president of the Quebec Division, C.M.A., and J. D. Ferguson (Spencer Corsets), of Rock Island, Que., hand out dollars for convention dinner.

A group of C.M.A. delegates from the prairie provinces: J. A. Christiansen (Waterloo Machinery), Edmonton; George W. Swan (Systems Equipment), Winnipeg; T. A. Ashenhurst, secretary, Alberta Branch, C.M.A.; R. L. Cushing (A. B. Cushing Mills), chairman, Calgary Branch, C.M.A.; G. E. Carpenter, secretary, Prairie Division, C.M.A.; C. H. Richardson, chairman, Prairie Division, C.M.A. (Richardson Road Machinery), Saskatoon; J. H. Findlay (Canadian Liquid Air), Winnipeg; E. R. Kennedy, asst. secretary, Prairie Division, C.M.A.

This is a group of delegates to the C.M.A. meeting from British Columbia. They are (left to right): F. C. Brown, past president, C.M.A. (Canada Western Cordage), Vancouver, B.C.; Hugh Dalton, secretary, B. C. Division; S. J. Kelley (R. H. Storer & Co.), Vancouver; T. R. Bulman (Bulmans Ltd.), Vernon, B.C.; H. S. Tobin, chairman, B. C. Division (Vancouver Breweries); E. Bird (A-1 Aluminum Foundry), Vancouver.

—Associated Screen News photo.

The Wawanesa
Mutual Insurance Company
—Organized in 1896—
Admitted Assets .. $3,310,837.04
Surplus 1,735,148.47
Write for Financial Statement
Ask for Our Booklet
"Farming Holds the Key"
Head Office: Wawanesa, Man.
Eastern Office: Toronto, Ont.
Branches at Vancouver, Edmonton, Saskatoon, Winnipeg, Montreal and Moncton.
2,000 Agents Across Canada

FIDELITY
Insurance Company
of Canada
TORONTO

HOME
ASSURANCE
COMPANY OF CANADA
Head Office:
Lancaster Bldg., Calgary
FIRE, AUTOMOBILE, HEALTH & ACCIDENT INSURANCE
Application for Agencies Invited.

Before you insure... consult
Confederation Life Associaton

Municipalities Asleep On Fire Risk Is Claim

"Canada's war effort is being sabotaged from within, not by enemy agents or hirelings but by the carelessness and indifference of our own people to the hazard and waste of fire," W. J. Scott, Ontario Fire Marshal, told the annual meeting of the Canadian Federation of Mayors and Municipalities recently. He charged that Canadian municipalities are failing to do their part to check fire losses.

Quoting Canada's fire loss in 1941 at $28 millions or $5.5 millions higher than in 1940, he declared such a loss at any time was a tragic waste of wealth but in wartime is almost criminal. Ontario's share of the loss he placed at $8.7 millions.

Reckless Nation

As a nation Canadians are reckless as to fire, more than 90% of our fires being caused by preventable carelessness, he declared. Many fires that do start would have had the loss cut to half or less, if there had been proper fire fighting facilities. Municipal councils, he declared, are failing to do their part to remove the millstone of fire waste from the neck of Canada's war effort.

There is hardly a municipal fire department in Canada that today is in as good shape as far as apparatus and personnel is concerned as it was at the outbreak of war, he charged. If there is any such municipality, he claimed, it was due largely to equipment donated by the Dominion Government through its A.R.P. branch and to citizen volunteers enrolled as A.R.P. auxiliary firemen.

Few Have Equipment

As an example he stated that in 1941 only 300 of Canada's 1,300 municipalities had any fire department at all. These 300-odd municipalities bought a total of 12 pieces of motorized fire apparatus in 1941. Of these, nine were substandard, said Mr. Scott.

Almost 75% of the fire apparatus in Ontario was purchased in 1932 or earlier. Declaring that fifteen years is the generally accepted limit for the reliable lifetime of fire apparatus, he estimated that 48% of Ontario's fire apparatus is more than 15 years old.

Few of the mayors at the meeting, he believed, would have driven there in a car more than 20 years old but almost 25% of their fire fighting apparatus is more than 20 years old. Nearly one tenth of the apparatus still in service was first bought in 1900 or earlier.

To support his argument that it is not just the small villages that rely on such ancient fire apparatus he stated that Brantford's only aerial truck was made in 1892—50 years ago. To rescue citizens from fire in their three and four-story buildings, Brantford, according to Mr. Scott, has only this 1892 aerial and a ladder truck whose tires are 10 years old and whose engine is 22 years old, and has twice, in recent months, failed while answering fire alarms. Yet Brantford fire department for three successive years has won first place in the Dominion fire prevention week contests.

In personnel, he charged Ontario municipalities had failed to maintain prewar standards. Vacancies in fire brigades caused by enlistments have not been filled. As examples, he noted that in 1933 Toronto had 697 firemen and now has 656; Hamilton had 205 and now has 184; Ottawa 181 against 167; London 91 against 83. Other cities where similar conditions existed he mentioned were Kingston and Vancouver.

Insurance Notes

John E. Brownell has been appointed manager of the Pittsburgh branch of the Manufacturers Life Insurance Co. succeeding W. M. Milligan who was transferred to Detroit as manager in January. Mr. Brownell is a graduate of Dartmouth University and first entered the insurance business with the Massachusetts Mutual in 1932. In 1935 he joined the Prudential Insurance Co. Two years later he became assistant manager of the Pittsburgh branch of the Manufacturers. He has been particularly successful in recruiting and training new representatives.

• • •

After 32 years service, C. R. Myrick, city manager, London Life Insurance Co., Toronto Bloor office, has retired. He was tendered a complimentary dinner by the company on his retirement. Addresses were delivered by W. F. Thorne on behalf of the head office, Gordon Adams for the Toronto managers, Claude Freeman for the superintendents, and Charles Wilson for the agents.

Guests present in addition to the managers of the Toronto districts, and office and agency staff of the Bloor St. office, included:

R. H. REID, managing director.
J. G. STEPHENSON, assistant general manager and director of agencies.
O. D. NEWTON, assistant general manager and secretary.
W. F. THORNE, superintendent of agencies (industrial), and W. C. LAIRD, superintendent of agencies (ordinary).

C.U.A. to Tackle Commissions

Lively Session Expected at Annual Meeting

Lively discussions on agents' commissions and premium rates in Ontario and Quebec are expected at the annual meeting of the Canadian Underwriters Association in Toronto June 16 and 17. While wide divergence of opinion is expected, it is believed unlikely a crisis will arise similar to that at the February meeting when the association rejected a motion to suspend rates and rules.

Since then some reductions in fire insurance rates have been effected. Others are said to be in preparation. The question of agents commissions has not been settled.

Recent pronouncements by Attorney-General Conant of Ontario have tendered to put the stock companies, particularly those in the Association, on the spot in the eyes of the public.

Attorney-General's Views

Mr. Conant has stated that administrative costs of the companies are too high; that excessive commissions paid a number of large agencies in the province and particularly in Toronto have contributed to this high cost and that if the situation is not adjusted some governmental action may be necessary.

In his report for 1940, H. D. McNairn, Superintendent of Insurance for Ontario, says: "While some agents in receipt of a higher rate of commission are equipped and qualified to render and do render a service which might entitle them to a higher commission rate, the dissatisfaction arises from a substantial number who are not so equipped or qualified but who have nevertheless received a higher rate of commission. . . . There is no doubt that the present basis of agents' remuneration is, in a number of respects, inequitable and that the cost of insurance to the public is in some cases increased by the higher rates of commission which are not always justified by the services rendered."

Special Services Given

Enquiries made by The Financial Post revealed that some of the larger agency firms do render a service to their clients which others cannot. In the construction of buildings, installation of fire fighting equipment, layout of water mains, etc., they have well trained engineering staffs which can give expert advice. These agencies claim they are entitled to a larger commission than the agent who sells insurance and does nothing more.

But apart from the special services rendered by certain agencies, the general cutting of rates is not as easy as it appears, men in the business claim.

Agents are hardly likely to advocate cutting their own commissions. Some who take a long range view of the situation, it is understood, believe such action might be healthy for the business. But few agents are likely to favor a cut in commissions any more than a salaried employee favors a cut in his salary.

Control Market

The larger agencies "control" a large part of the insurance market. If a few companies started cutting commissions, the agencies would probably take the business where the higher commissions were paid. Accordingly companies are loath to make a start on cutting commissions. It would be difficult for the associated companies to act as they have no jurisdiction over the independents and a general cut by the tariff companies would probably drive the business into non-tariff hands.

Self-Cure Suggested

In some quarters it is claimed the lower premium rates will in time cure the agents' commission difficulties. Companies getting lower premiums will not be able to continue to pay the same percentage in commission rates.

One solution suggested is to set a basic selling commission for the man who sells the business. To this could be added extra commissions for special services rendered. Where an agent also acts as district or provincial or supervising manager it would bring him a higher rate.

Neither agents nor companies are anxious to see the government step in and it is believed there will be a strong effort to settle the problem on a permanent basis.

The Continental group which resigned from the association some weeks ago has allowed its resignation to be held up in the meantime. Should the Association fail to meet the existing problems, it is believed the group will go ahead and withdraw from membership.

DIRECTOR

Gordon C. Leitch has been elected a director of the Mutual Life Assurance Co. of Canada. Mr. Leitch is president of Toronto Elevators Ltd. and has been elected to take the place of the late Charles H. Houson.

Canada Completes Transfer Of $700 Millions Sterling

Through a deal with the Bank of Canada and the Foreign Exchange Control Board, the Dominion Government has completed transfer of $700 millions in sterling balances to the British Government in accordance with the War Appropriation (United Kingdom Financing) Act. In return it has received an obligation of the British Government which does not bear interest until after the war.

The mechanics of the deal were these. For some time the Foreign Exchange Control Board had been accumulating sterling, the total amount estimated to be several hundred million dollars. The Bank of Canada also had accumulated about $187 millions sterling. The government thus had access to sufficient sterling to clean up the deal.

It had, however, to get the sterling held by the Bank of Canada over to the Foreign Exchange Control Board before it could transfer it. The Dominion sold the bank $100 millions two-year bonds and $92 millions 2½ year bonds, both issues bearing interest at 1½%. The government then transferred the proceeds to the Foreign Exchange Control Board which used them to buy sterling held by the Bank of Canada. This along with other sterling funds held by the Board was turned over to the Dominion government which in turn transferred it to the British government in exchange for the bond for $700 millions.

Other sterling balances held by the Board, estimated surplus to funds needed for repatriation of Canadian bonds in Britain, were also transferred to the British government, the amount over $700 millions being charged against the $1 billion gift for Britain also provided by the Act.

	June 3 1942 $	May 27 1942 $
Liabilities		
Capital paid-up	5,000,000	5,000,000
Notes in circ.	531,517,698	525,409,458
Rest fund	5,585,705	5,585,705
Deposit: Dom.	35,213,131	110,796,995
Banks	194,760,143	186,371,930
Other	15,951,872	11,818,069
Total deposits	245,925,146	308,986,994
All other liabs.	11,185,933	8,648,591
Total liabs.	799,214,482	853,630,748
Assets		
In Sterling & U. S.	457,396	187,359,927
Subsid. coin	353,882	325,763
Investments:		
Dom. gov. sh.	462,253,726	429,955,718
Other Dom. gov. .	314,546,145	221,659,596
Total invest.	776,799,871	651,615,314
Premises	1,827,587	1,804,961
All other assets	19,775,746	12,524,783
Total assets	799,214,482	853,630,748

Staff Changes

The Royal Bank of Canada announces the following staff changes:

I. E. AUSTMAN, manager, Cadillac, Sask., to be manager, Milden, Sask.
D. CAMPBELL to be manager, Liberty, Sask.
T. H. GILCHRIST to be manager, Burford, Ont.
R. H. JOHNSON, manager, New Amsterdam, British Guiana, to be manager, St. George's, Grenada.
N. H. McLENNAN, inspector, supervisor's department, Winnipeg, to be manager, Port Arthur, Ont.
H. S. RICHARDSON, manager, Aneroid, Sask., to be manager, Cadillac, Sask.
H. W. WHITTLES, manager, St. George's, Grenada, to be manager, San Fernando, Trinidad.
E. A. LYDER, to be assistant manager, Georgetown, British Guiana.
J. J. CALLANAN, accountant, St. Catherine & McGill College, Montreal, to be accountant, Saint John, N.B.
A. W. FOWLER, acccuntant, Laurier Ave., to be accountant, St. Catherine & McGill College, Montreal.
D. S. McLEOD, assistant accountant, Bonaventure, Montreal, to be accountant, Laurier Ave., Montreal.
N. B. H. WATSON, to be accountant, Bridgetown, Barbados.

• • •

The Bank of Nova Scotia announces the following staff changes:

H. G. BARKER, to be manager, Danforth & Pape, Toronto.
C. F. HIBBARD, to be manager, Belmont, Ont.
C. R. MACLAGGAN, to be accountant, Montreal.

• • •

The Canadian Bank of Commerce announces the following staff changes:

R. B. MACKAY, inspector, head office, to be manager, St. John's, Nfld.
A. H. WATERMAN, manager, St. John's, Nfld., to be manager, Seattle, Wash., U.S.A.

Weekly Bank Clearings

	June 4 1942 $	Change Year Ago %	May 26 1942 $
Halifax	4,668,500	+4.0	3,330,544
Saint John .	2,923,750	+29.0	2,805,687
Moncton	1,403,802	+48.5	901,918
Sherbrooke .	1,322,742	+14.7	779,521
Quebec	6,552,309	+7.2	4,069,157
Montreal ...	138,960,114	+20.0	102,395,842
Ottawa	62,798,291	+8.1	36,946,561
Kingston ...	901,553	+8.0	641,851
Peterborough	995,771	+22.0	630,384
Toronto	164,923,028	+16.8	113,358,300
Hamilton ...	8,216,566	+0.6	5,698,430
St. Catharines	1,584,843	+2.8	1,394,432
Kitchener ..	1,413,209	+0.8	1,001,432
Brantford ..	1,219,179	+34.2	926,471
London	3,389,267	+1.1	2,363,851
Chatham ...	718,712	+8.7	582,538
Windsor	4,023,817	+7.1	3,630,315
Sarnia	533,499	—22.4	381,257
Sudbury	1,205,190	+5.3	1,269,397
Fort William	1,339,138	+8.2	910,860
Winnipeg ...	55,353,930	—2.9	37,002,442
Brandon	552,175	+9.2	344,963
Regina	4,702,086	—22.8	4,390,504
Moose Jaw .	798,688	+3.2	597,442
Saskatoon ..	1,909,464	+9.8	1,350,658
Prince Albert	668,125	+52.1	380,677
Edmonton ..	6,420,449	+12.3	4,977,668
Calgary	6,963,427	—8.1	5,422,637
Lethbridge .	671,754	+21.2	677,465
Medicine Hat	308,501	+0.6	241,217
N. W'minster	992,858	+15.4	987,623
Vancouver ..	27,567,820	+31.3	17,952,207
Victoria	2,096,058	—3.4	1,773,882

Income Taxes Divert Savings

Notice Deposits and Bank Current Loans Down

Income tax payments combined with installments paid on Victory bonds bought in March brought a reduction in savings deposits of the Canadian people in April, the latest return of the chartered banks to the Minister of Finance shows.

Other features of the April 30 statement include increases in demand deposits in both monthly and yearly comparisons with current loans lower than in the preceding month but higher than a year ago.

The income tax payments hit the savings accounts this year in April instead of May as formerly, the deadline for tax returns being set back to March 31 from April 30 as formerly.

Despite increased popularity of monthly installment tax payments, the majority still pay in a lump, usually just at the deadline. The debits go through the following month.

These charges, plus installment payments on Victory Bonds reduced savings deposits $12.4 millions on the month and $170.4 millions on the year. Bankers say that savings deposits have been showing a good recovery since.

Demand Deposits

Demand deposits were $88.3 millions above March 31 and $104.2 millions higher than a year ago. Increase is attributed to payments received by war industries from the government on war contracts. These payments were partly responsible for a reduction of $126 millions in Dominion government deposits from the month before, leaving them still $288 millions higher than a year ago. Provincial government deposits were higher on the month but lower than in 1941 while foreign deposits were higher in both comparisons.

Current Loans

Increases in current loans in February and March were attributed mainly to borrowing to buy bonds. In April, repayment of these loans is understood to have been substantial especially by some of the larger financial institutions. Also tending to reduce loans were the large payments from the government for war supplies after the Victory loan. Normal commercial borrowing by industry has not been sufficient to offset the decline due to the other factors.

Call loans in Canada are lower for the month but slightly higher on the year. Both call and current loans abroad show increases in the two comparisons.

The Financial Post Credit Index, the ratio of current and call loans in Canada to demand and savings deposits in Canada was lower than on March 31 but substantially higher than on April 30, 1941.

Use of Bank Credits
(In Millions of Dollars)

	April 1942	March 1942	Change	April 1941	Change
Loans	1,283.6	1,333.9	—50.3	1,140.1	+143.5
Investments	1,898.9	1,880.6	+18.3	1,820.3	+78.6
Total	3,182.5	3,214.5	—32.0	2,960.4	+222.1
Deposits	2,769.4	2,693.6	+75.0	2,835.5	—66.1
Credit index*	42.8%	46.2%	—3.4%	36.8%	+6.0%

*Ratio of current and call loans in Canada to demand and savings deposits in Canada.

ASSETS

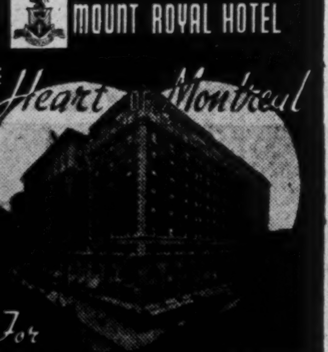
	April 1942 $	March 1942 $	Change $	April 1941 $	Change $
Immediately Available Liquid Assets					
Canadian coin	7,399,441	7,197,659	+201,782	7,106,603	+292,838
Bk. of Can. notes ...	99,873,592	99,147,480	+726,112	89,327,319	+10,546,273
Bk. of Can. depos. ..	214,771,755	241,878,585	—27,106,830	228,848,332	—14,076,577
Bank's cash	322,044,788	348,223,724	—26,178,936	325,282,254	—3,237,466
Other banks' notes .	2,090,366	2,541,510	—451,144	2,824,666	—734,300
Gold, sub. coin abd.	2,747,180	2,649,424	+97,756	3,110,623	—363,443
Foreign banks	179,718,977	170,590,448	+9,128,529	198,373,901	—18,654,924
Foreign currency ..	33,940,233	33,002,162	+938,071	28,762,798	+5,177,435
Gov. sec. short term	707,155,952	724,098,457	—16,942,505	784,833,517	—77,677,565
Do., long term ...	933,834,730	919,528,548	+14,306,182	791,750,340	+142,084,390
Call loans abroad ..	52,819,463	49,596,654	+3,222,809	42,553,424	+10,266,039
	2,234,351,689	2,250,230,927	—15,879,238	2,177,491,523	+56,860,166
Loans and Other Securities Other Than Those of Canadian Government					
Municipal secs.	82,128,373	79,018,907	+2,109,466	91,835,026	—9,706,653
Public secs.‡	89,826,652	74,839,075	+14,987,577	56,233,547	+33,593,105
Other secs.	86,006,535	83,034,320	+2,972,215	95,704,334	—9,697,799
Can. call loans	31,827,364	33,548,157	—1,720,793	31,250,327	+577,037
Current loans	1,155,818,008	1,212,990,336	—57,172,328	1,012,157,670	+143,660,338
Loans abroad	141,983,471	141,182,155	+801,316	135,319,595	+6,663,876
Prov. loans	10,399,135	10,265,571	+133,564	11,616,544	—1,217,409
Mun. loans	85,537,543	77,134,993	+8,402,550	85,039,346	+498,197
	1,683,527,081	1,712,013,514	—28,486,433	1,519,156,389	+164,370,692
Other Assets					
Non-current loans ..	4,269,119	4,554,030	—284,911	5,680,680	—1,411,561
Real estate	6,219,847	6,344,696	—124,849	6,898,515	—678,668
Mortgages	3,403,999	3,388,181	+15,818	3,557,031	—153,032
Premises	69,641,534	69,438,952	+202,582	70,576,370	—934,836
Letters of credit	124,484,031	128,396,521	—3,912,490	81,557,277	+42,926,754
Loans to comp.	10,712,229	11,044,193	—331,964	10,721,278	—9,049
Other assets	2,159,564	2,248,139	—88,575	2,013,124	+146,440
	220,890,323	225,414,712	—4,524,389	181,004,275	+39,886,048
Total	4,138,769,093	4,187,659,153	—48,890,060	3,877,652,187	+261,116,906
Note circ. dep.	4,501,297	4,498,517	+2,780	4,844,145	—342,848
Int. bank bal.	176,328,451	159,614,312	+16,714,139	136,612,682	+39,715,769
Gross	4,319,598,841	4,351,771,982	—32,173,141	4,019,109,014	+300,489,827

LIABILITIES

	April 1942 $	March 1942 $	Change $	April 1941 $	Change $
To the Public					
Circulation	73,795,475	73,633,907	+161,568	81,377,405	—7,581,930
Dom. Govt.	429,881,721	555,946,417	—126,064,686	141,731,216	+288,150,515
Prov. Govt.	62,948,472	55,377,724	+7,570,748	86,385,461	—23,436,989
Deposits by Public					
Demand dep.	1,232,245,938	1,143,939,017	+88,306,921	1,127,961,630	+104,284,308
Savings dep.	1,537,144,724	1,549,628,551	—12,483,827	1,707,557,890	—170,413,166
Total	2,769,390,662	2,693,567,568	+75,823,094	2,835,519,520	—66,128,858
Foreign dep.	486,303,305	473,466,585	+12,836,720	427,891,261	+58,412,044
Due to Banks Abroad, Etc.					
United Kingdom ...	21,680,512	21,250,994	+429,518	21,981,713	—301,201
Foreign	32,482,090	33,480,542	—998,452	29,673,672	+2,808,418
Bills payable	28,019	26,432	+1,587	15,666	+12,353
Letters of credit	124,484,031	128,396,521	—3,912,490	81,557,277	+42,926,754
Other liabs.	4,093,453	6,880,866	—2,787,413	5,267,494	—1,174,041
Total pub. liabs. ..	4,005,087,750	4,042,027,557	—36,939,807	3,711,400,685	+293,687,065
Due bet. banks	17,495,634	10,379,348	+7,116,286	11,567,841	+5,927,793
Liability to Shareholders					
Dividends	2,785,739	1,499,904	+1,285,835	2,815,768	—30,029
Reserve	134,750,000	134,750,000	....	133,750,000	+1,000,000
Capital	145,500,000	145,500,000	....	145,500,000	....
Gross	4,305,619,123	4,334,156,809	—28,537,686	4,005,034,294	+300,584,829

‡Other than Canadian.

ADMIRAL BEATTY
Modern. Fireproof. Well-appointed. Garage adjacent. 250 rooms from $2 single, $3 double. Cafeteria.
E. D. SWEENEY, Mgr.
SAINT JOHN
NEW BRUNSWICK, CANADA

MOUNT ROYAL HOTEL

THE Heart of Montreal
For BUSINESS or PLEASURE it's the
MOUNT ROYAL HOTEL
Direction of VERNON G CARDY

Patronize
FORD HOTELS
for COMFORT and THRIFT!

FORD HOTEL MONTREAL
RATES: Single $1.50 to $2.50
NO HIGHER

FORD HOTEL TORONTO
and in OTTAWA → The LORD ELGIN

RATES Single $2.50 to $3.50 NO HIGHER

Automobile and General Casualty Insurance
AGENCY INQUIRIES INVITED
LUMBERMENS MUTUAL Casualty Company
VANCE C SMITH, Chief Agent
CONCOURSE BUILDING
TORONTO
Fire and Allied Lines Written in Associated Companies

The Independent Order of Foresters
For over sixty years the I.O.F. has furnished broad plans of insurance protection and provided its membership with valuable fraternal benefits.
The Society issues Ordinary Life, Twenty Payment Life, Twenty Year Endowment Certificates and a Modified Endowment maturing at age sixty-five. All Certificates provide cash, loan and paid-up values and generous benefits in case of total and permanent disability.
ASSETS OVER $44,000,000.00
VICTOR MORIN, LL.D., Supreme Chief Ranger
Head Office: - - Toronto, Canada

● Here is a new kind of life insurance that is giving thousands of Canadians who could not easily afford other types of insurance, the financial protection they need... security now and a guaranteed income in later life.
The plan works like this: you choose any policy that suits your needs, but instead of paying the first year's premium, you pay for one month only. For example, at age 30, the premium on a $5,000 Double Protection life policy is only $6.15. As a service to you, the company will accept your checks, one for each month of the year, all post-dated.
This system enables you to meet the extra demands upon your income—for war-time taxes and war-savings certificates—without letting your insurance program suffer. North American Life's monthly Budget Plan is the safe, modern, easy way to financial independence. Send the coupon for free Budget Memo Booklet and folder telling how you can have the extra protection you need for as little as $5 a month.
NORTH AMERICAN LIFE
HEAD OFFICE: 112 King Street, W., Toronto, Ont.
Without obligation, please send me information about your Special Budget Policy, together with free Vest Pocket Budgeting Booklet.
Name
Address
107R

MORDEN, HELWIG & FERRIE LIMITED
Insurance Adjusters
Automobile, Casualty, Fire and Allied Lines, Inland Marine
HAMILTON, LONDON, WINDSOR, KITCHENER, ST. CATHARINES, SARNIA, CHATHAM, OWEN SOUND

THE MONARCH LIFE Assurance Company
ESTABLISHED 1906
A PROGRESSIVE CANADIAN COMPANY

BUSINESS MEN ARE DOING A BIG JOB

TO most business men today, the winning of profits is not of first importance. Their objective is the maximum of materials and equipment for our fighting men. Plants and personnel are at the service of our Government without reservation. Canadian industrial management and workers are doing a war production job that has astounded and gratified our allies. Much more remains to be done—and, it will be done.

The shareholders in business pay a large part of Company earnings to Government in taxes; indirectly by those levied on the Company's earnings and directly by the income tax on dividends received. This is a real sacrifice as often the shareholder's investment represents a lifetime's earnings accumulated through thrift and hard work. Business executives, too, in many instances contribute 50% and more of their income in taxes. The winning of the war—not profits—is the major objective of Canadian business today.

THE BANK OF TORONTO
INCORPORATED 1855

Yours! A GRAND Algonquin Holiday

• Come—see the beauty, taste the pleasures of a Highland Inn vacation. In this glorious playground there's fun for all—perfect swimming, riding forest trails, canoe trips, dancing, other sports to fill carefree vacation days with thrilling activity. Famous fishing. Exhilarating pine air. Rest, relaxation. Come by rail or road.

• Really comfortable accommodation—excellent meals. Rates from $21 weekly.

Write for folder, reservations.

Highland Inn
In the Land of 2000 Sparkling Lakes
ALGONQUIN PARK ONTARIO CANADA

GRAY ROCKS HAS EM ALL!

3 lb. Speckled Trout ... gray trout (salmon trout), walleyes, Gt. Northern Pike.

Dozens of lakes—deep in virgin country, conveniently reached by Gray Rocks Air Service planes. This year try Commandant, Cold Lake or La Carpe, with its 30 lakes to fish. Good camps and camp sites, all equipment provided. Good guides. Rates reasonable.

Write or telephone for new booklet "Fishing and Hunting in the Laurentians of Quebec".

GRAY ROCKS INN
ST. JOVITE — QUEBEC

Muskoka Plans Normal Season

Highlands of Ontario Provide Wartime Vacation Land

About 90 miles north of Lake Ontario is a region so full of lakes and rivers that it looks on the map like a slice from a sponge. Because of all its water, and because it is all from 1,000 to 1,500 ft. above sea-level, this highland has become one of Canada's best-known vacation lands.

For years the Muskoka-Lake of Bays district has helped build up the physiques of Canada's young men and women. For years it has revived the pep and energy of older Canadians, has been a refuge for convalescents. Now, in wartime, its air and water have an even more significant job.

To Muskoka this year will come thousands of Canadian men and women who have been keeping the war wheels at full throttle for the past year, sometimes longer, without a break. For a week or two this summer they'll come to Ontario's highlands for a quick refresher.

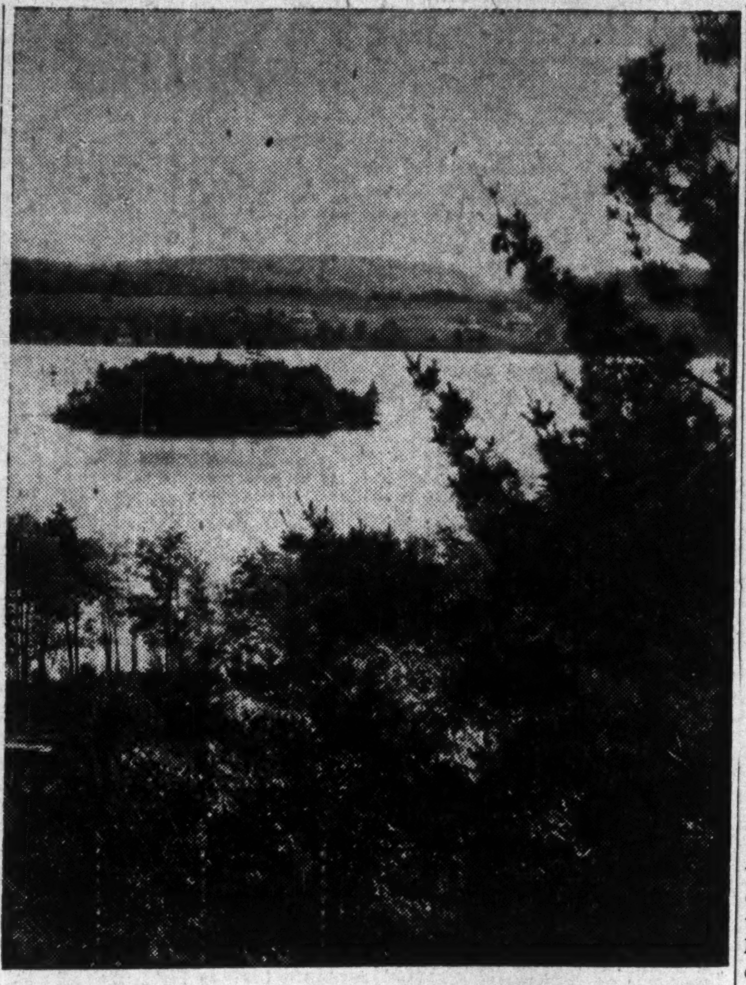
Easy to Reach

One of the assets of Muskoka is extreme accessibility. Because of this factor Muskoka expects to draw a normal crop of vacationists this season. Already the resorts are well booked.

The beautiful lake and highlands region is roughly three to four hours travel from Toronto and over the years has grown increasingly popular as a mecca for summer sojourners. Its fame has spread far and wide and a large number of visitors have come from the United States.

In spite of present difficulties, there will be many American visitors again this year, although Canadians will probably be proportionately more numerous than normally.

Embracing the adjacent Lake of Bays districts as well as the area around the Muskoka Lakes,



Once again Muskoka and the Lake of Bays region will welcome thousands from U. S. and Canadian cities. But this year Ontario's highlands have a new significance—their job will be to restore the vigor sapped by the strain of modern war work.

"Greater Muskoka," as it might be called, shares generously in the basic features of Ontario's best vacation spots—abundance of fresh water bodies, scenery, extensive resources for fishing, swimming and other sports.

In addition, it has assets which are less general.

For instance there is the bracing, healthful climate.

Most of the district is from 1,000 to 1,500 ft. above sea level, which makes for fresh, invigorating breezes. The altitude is said to assure immunity from hay fever.

The clear air is warm without being humid through most of the summer, the average temperature running below 70 degrees and the maximum daily reading rarely going above 90. Nights are always cool enough for sound sleeping.

Muskoka and Lake of Bays embrace about 1,600 square miles spreading out around the two principal chains of lakes and streams — the Muskoka Lakes and the Lake of Bays system. Bordering on the northwest wing of the region is Algonquin Park, one of the loveliest parks on the continent, where the natural beauty has been carefully preserved.

To the south is another chain of lakes, centering on Sparrow Lake and Kahshe Lake, and emptying into Georgian Bay through the Severn River.

Within the "Greater Muskoka" territory are about 150 summer hotels and resorts of large to moderate size, with perhaps an equal number of small places of more limited accommodation.

These establishments range from unpretentious farmhouses and small boarding houses to large and elaborate resorts such as the Muskoka Beach Inn, Beaumaris Hotel and Yacht Club, Limberlost Lodge, Elgin House, Royal Muskoka, Clevelands House, Highland Inn, Bigwin Inn and Nepahwin-Gregory Inn.

Immediately to the south of Muskoka proper is a related vacation area which takes in such resorts as Big Chief Lodge north of Orillia.

Close to Toronto

From Toronto the southerly points of Muskoka are 100 miles away or less, while sections at the northwest tip of the area are only about 160 miles distant. Trips to most parts take only about four hours from Toronto, and only five or six hours at the outside is required to reach the least accessible spots.

It is possible to make steamship cruises of up to 100 miles in length through the three Muskoka Lakes and of 50 to 60 miles on the Lake of Bays chain. Steamer operations have been a feature for many years, the perennial services on the Muskoka Lakes dating back to 1866.

These had their origin when lack of roads and railways made them a necessity to settlers, and today they are still popular although Muskoka is served by motor coaches and by both railways.

An unusual part of the cruise through the Lake of Bays is the one-mile portage over the shortest railway in the world, connecting Peninsula Lake canal with the Lake of Bays itself.

The holiday seeker who likes quiet and seclusion can find both among the wooded shores of the many inlets which give Lake of Bays its name.

Muskoka proper has wide fame as a summer colony, and not the least of its attractions are the lovely summer homes on the larger islands and the mainland. Many are large and have beautifully landscaped grounds, while others are hidden amid large trees and natural undergrowth.

Vacations Necessary For Peak War Output

Early fears that the drive for more and more war production would put an end to holidays have been largely dissipated. A number of medical authorities have recently confirmed the need for reasonable relaxation, for production as well as health reasons.

Holidays, say doctors, are more necessary this year than ever, because of the pressure under which most people have been working. This view has received the official approval of the British government, which made a study of the question. Working hours in Britain have been stepped up—but summer vacations go on because vacations make for health, and health makes for efficiency.

One reservation medicos make is that it is up to everybody this season to plan what holidays he has for relaxation—both mental and physical—so as to get the utmost benefit from them. What constitutes mental and physical relaxation is largely a matter of taste.

As a general rule, people who live in cities should "get away from it all"—from crowds and noises and out into the fresh air.

Ontario Rich in Resorts

Ontario offers thousands of spots which fill the bill for a vacation of this kind.

Muskoka and Lake of Bays, Lake Simcoe, Algonquin Park, Timagami—these and many other regions rate among the finest playgrounds on the whole continent. Swimming, golfing, riding, tennis, yachting, hiking, dancing may all be combined at any one of scores of resorts. Others, while providing less variety, are equally attractive, and capable of keeping the holiday-seeker equally busy.

But don't overdo it, the medicos caution.

Says Hygeia, published by the American Medical Association: "A person unaccustomed to any form of strenuous exercise other than strap-hanging in a street car obviously should take exercise in moderate doses."

Besides cautioning against over-exercise, Hygeia lists other "Don'ts."

Don't spoil your vacation by getting painfully sunburned right at the start. The sun is good, but should be taken in easy doses. Acquire that tan gradually.

On a dull day, don't sit around for hours in a damp bathing suit.

Big Golfing Year At Royal Muskoka

Some enthusiastic golf will be played on the Royal Muskoka course over the week end of June 26. Besides being the grand opening of the resort, about 200 Rotarians from the United States on convention at the Royal, will be out to match their skill.

With its smooth greens and well kept approaches, the Royal Muskoka has one of the finest courses in the district. Its rocky natural hazards, pine groves and glimpses of Lake Rosseau make the game interesting and pleasant.

Something new expected at the Royal Muskoka this year will be bi-weekly matches with frequent golf tournaments arranged for the guests.

Non-resident Forces Get Free Fishing

Non-residents in the armed forces won't have to buy licenses to fish in Ontario this season, according to the decision of Hon. Harry Nixon, provincial minister of game and fisheries.

The ruling affects Americans attached to the different arms of the service in Canada; members of the R. A. F. now on this side of the Atlantic; men of the Royal Norwegian Air Force, whose training centre is at Little Norway in Toronto, and men of the Dutch training centre at Stratford.

The Norwegian Air Force now has a second training school near Gravenhurst in Muskoka. Special courtesies are being extended to them by the Royal Muskoka Hotel, not far from their camp.

Prairie Airways Expanding Work

Prairie Airways Ltd., Moose Jaw, Sask., controlled by Canadian Pacific Airlines, is steadily increasing its activities in overhauling and repairing Cessna Crane Aircraft of the Commonwealth Air Training Plan. Opened early in March, the plant now employs over 325 with this number scheduled to be doubled before summer is over. Expected output of the new plant is 30 aircraft per month, a mark to be attained sometime within the next year.

The overhaul contract held by Prairie Airways is said to be the only one covering Cessna Aircraft in Canada. This hitherto small company may become a centre of repair and overhaul for all the aircraft of the mid-west C. P. Air Lines.

First Buna Rubber From New U. S. Plants

First production of synthetic rubber from the new plants being built by the Defense Plant Corp. in the United States is reported by W. H. Funston, president of Firestone Tire & Rubber Co. of Canada. Test run of "several thousand pounds" of Buna was turned out and the product pronounced "satisfactory," Mr. Funston stated.

A member of the Dominion government's committee to study synthetic rubber production in Canada, Mr. Funston warns that while definite progress is being made there is no justification for civilian car owners to expect any relief for a long time.

Industrial Ad. Men To Convene Early

Because of the immediate need for "concrete and timely help," the National Industrial Advertisers Association is holding its conference on the three days beginning June 29, 1942, instead of the usual September meeting.

Held last year for the first time in Canada, the 1942 conference is being staged at the Traymore Hotel in Atlantic City, N.J.

Relaxation ON YOUR VACATION
A NECESSITY IN WAR TIME!

SAVE TIME ... AVOID TROUBLE ... GET ALL THE INFORMATION YOU NEED BEFORE YOU LEAVE ..... JUST

Ask Mr. Foster Travel Service

• • •

This year, your holidays mean more than ever—you must keep yourself in condition for the big jobs ahead! One certain way to avoid disappointment is to *plan* your vacation, secure reservations and buy tickets early—and to save time now, all this can be done for you by the Ask Mr. Foster Travel Service

• • •

Phone TRinity 9111, Local 812, for information.

Simpson's Street Floor

Spend Your Vacation at
NEPAHWIN-GREGORY INN
LAKE ROSSEAU, MUSKOKA

At Nepahwin-Gregory you will find every comfort—many rooms with running hot and cold water—private and semi-private baths. Facilities for virtually every summer recreation, too—golf, tennis, riding, swimming, fishing, boating, dancing. For folder and full information, telephone KI. 4309, or write L. T. Graham-Bell, Nepahwin-Gregory, Gregory P.O., Ont.

The ALPINE INN

"Come to Stay"

... at The Alpine you don't need your car. It's only 1½ hours by train from Montreal. Everything you will want to do is at your doorstep. Golf on our own course ... tennis ... riding ... swimming ... and 1,000 acres of mountain playground. We know we can offer you everything a real vacation means ... comfort, service, and hospitality. You'll enjoy this famous log chalet of the Laurentians. Write for bklt. & rates.

The ALPINE INN,
Ste. Marguerite Station, Que.

BOWATER'S NEWFOUNDLAND PULP AND PAPER MILLS LIMITED
CORNER BROOK, NEWFOUNDLAND
invite you to spend your next vacation at
THE GLYNMILL INN
Licensed to sell ales and wines.

For special Tourist Rates and complete information regarding fishing and other recreations, write to
H. V. ANDERSON
GLYNMILL INN, CORNER BROOK
NEWFOUNDLAND

DON'T WASTE *Precious* VACATION DAYS
•
Spend Your Whole Holidays This Year—at
Limberlost

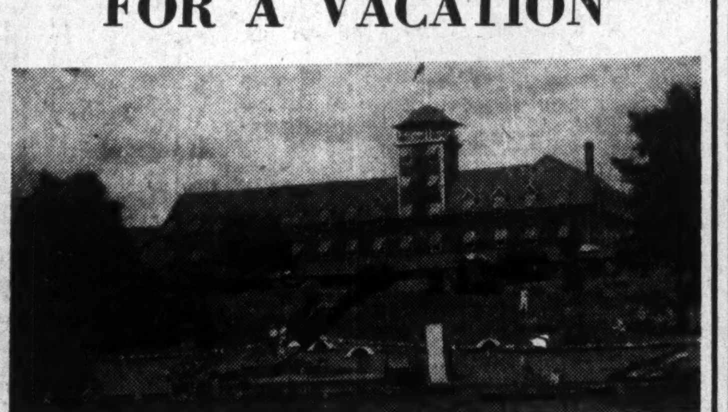
• This year—have a complete vacation in the Limberlost Country, 4600 acre playground bordering Algonquin Park. At Limberlost you'll find complete relaxation—complete recreation—all the things you want to do on your holidays to make them enjoyable, memorable!

• And Limberlost accommodation, meals, are excellent. New Main Lodge. Picturesque Bungalows. Rates from $24.00 weekly, single, $22.50 double. Easily accessible by rail or road. Reserve early!

FUN FOR ALL • ALL SPORTS •
Folder, Rates, Information. Your Travel Agent or Contact.
TORONTO OFFICE
67 Yonge St.
WA. 7552.

Limberlost Lodge
DEEP IN THE FOREST — OPEN ALL YEAR
Member Huntsville Resorts Association
IN THE LIMBERLOST COUNTRY - VIA HUNTSVILLE CANADA

PERFECT SETTING FOR A VACATION



Beautiful Beaumaris ...
MUSKOKA'S OUTSTANDING RESORT HOTEL

Famed for its superlative cuisine and its atmosphere of charm and good taste, Beaumaris offers every opportunity for an ideal vacation—activity or rest and complete relaxation ... 120 rooms, 70 with private bath ... Only a 3-hour drive from Toronto over good roads, or train and boat connections take you right to Beaumaris Wharf ... Discriminating clientele, moderate rates.

GOLF TENNIS RIDING BOATING SWIMMING FISHING

Beaumaris
HOTEL & YACHT CLUB, BEAUMARIS, LAKE MUSKOKA, ONT.
Opens June 26th. For rates and illustrated folder write, William H. Brennan, Manager.

Enjoy Yourself at
MUSKOKA BEACH INN

RATES

Main Lodge $21.50 and up per person weekly.

Nautical Staterooms — $21.00 and up per person weekly.

Cabins and Outside Lodges $28.00 and up per person weekly.

Muskoka Beach Inn on the shores of Lake Muskoka provides accommodation to suit every taste and pocketbook. Here is every facility for recreation and relaxation.

Muskoka Beach Inn is situated only 3 miles from Gravenhurst ... 100 miles north of Toronto via No. 11 Highway.

Rail Service. C.N.R. to Gravenhurst.

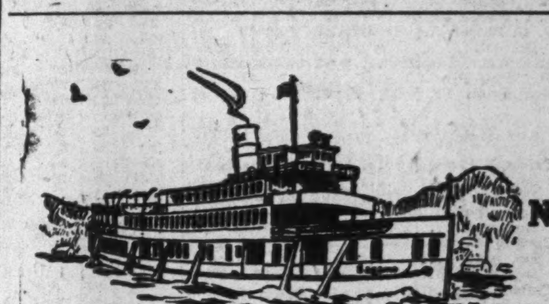
Bus Service. Greycoach Line to Gravenhurst.

Taxi three miles to Muskoka Beach Inn.

Write for illustrated folder or apply to your nearest travel agency.

WRITE Phone Gravenhurst 29 WIRE

Muskoka Beach Inn
MUSKOKA BEACH, ONT.



Navigation Now Open

Cruises effective June 21st.

Muskoka Lakes

Royal Muskoka Hotel
Opens June 26
Toronto Office until June 16—53 Yonge St.
Head Office ..... Gravenhurst, Ont.

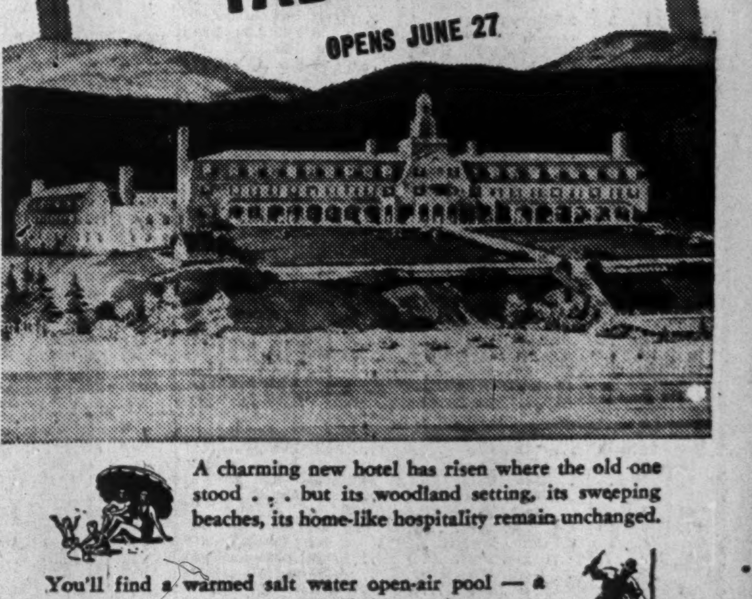
Manoir PINOTEAU

You'll enjoy the carefree life at Manoir Pinoteau. Come now for that long summer holiday. Rates are moderate and it is only 2½ hours by train from Montreal. Once you're there you won't need your car. Every sport and pleasant activity is right there for you to enjoy.

Write for booklet and rates —
MANOIR PINOTEAU, Mont Tremblant, P.Q.

ON LAKE TREMBLANT - QUEBEC

The New HOTEL TADOUSSAC
OPENS JUNE 27



A charming new hotel has risen where the old one stood ... but its woodland setting, its sweeping beaches, its home-like hospitality remain unchanged.

You'll find a warmed salt water open-air pool — a new 18-hole putting green — "habitant" lounges — gaily decorated, restful rooms overlooking the river.

A nine-hole golf course, too, and tennis courts. And, minutes away, private lakes well-stocked with trout and land-locked salmon, threading an unspoiled wilderness.

For that "civilian furlough" ...

The New HOTEL TADOUSSAC TADOUSSAC, QUEBEC

Reasonable family rates, as always. For information, apply your C.S.L. Office, F. G. Brown, Manager, Tadoussac, Que., or any Travel Agent.

A DIVISION OF CANADA STEAMSHIP LINES

THE WEEK'S QUOTATIONS

Toronto and Montreal Exchanges

The following table is confined to official prices for listed stocks, including curb market quotations. Where no transaction is recorded, bid and asked prices are given. For unlisted stocks, quotations by unlisted dealers are published. The Financial Post cannot accept any responsibility for such quotations.

WEEK ENDING JUNE 8

Range 1942 High	Low	Div R'te $	June 8 Y'ld %		Sales	Last June 1	Week end. June 8 H	L	Cl'se
				A					
				Abitibi	570	.50	.60	.55	.55
.75	.40	*	...	Do. pref. 6%	355	4½	5	4½	5
7	4	*	...	Do. pref. 7%	....	(13½ bid — asked)			
25	13	*	...	Acme Glove	....	(3 bid 3½ asked)			
3	3		...	Do. pref.	....	(50 bid 51 asked)			

Range 1942 High	Low	Div R'te $	June 8 Y'ld %		Sales	Last June 1
17¾	14½	1	5.6	Ford Motor A.	1645	17½
17	14½	1	5.9	Do. (B)	1	16½
.15	.15		...	For. Pr. Secs.	....	(— bid
16½	13	480+50c	.	Foundation Co.	....	(13 bid
13	7	*	...	Fraser Cos.	....	(10½ bid
13½	9	*	...	Do. Vot. Tr.	310	10½
.50	.50		...	Freiman	....	(.50 bid
55	55	14.50	...	Do. pref.	....	(50 bid
6	4½	60c	10	Gatineau Pwr.	135	5½
77½	61½	5	6.7	Do. pref.	41	74½

Oil Stocks

Par Val.	Range 1942 High	Low	Company	Sales	Close June 1 (or last)	High for week	Low for week	Close June 8
No	1.20	.80	Calgary & Ed.					
1	.18	.11	Calmont	3,700	.12	.15	.13½	.15
No	.22	.15	Commoil	500	.20	.15	.15	.15
No	.30	.18	Common Pete	......	(.19 bid .20 asked)			
No	.30	.12	Dalhousie	......	(.16 bid .20 asked)			
No	.17½	.12	Davies Pete	600	.12½	.12½	.12½	.12½
No	.04	.02	East Crest	4,000	.02	.02½	.02½	.02½
No	*.30	.20	Federated Pete	......	(.24 bid .... asked)			
No	.85	.55	Foothills	2,700	.75	.75	.70	.75
No	.01	.01	Grease Creek Pete	......	(.00½ bid .02 asked)			
No	†.08	.04	Hargal	......	(.... bid .10 asked)			
No	.20	.08	High Sarcee	500	.08	.09	.09	.09
No	2.70	2.31	Home	7,710	2.35	2.50	2.35	2.45
1	.07	.02	Homestead O. & G.	13,200	.04½	.04½	.03½	.03½
No	.04	.02½	McD. Segur	......	(.03½ bid .04½ asked)			
1	.20	.13	Model	500	.20	.16	.16	.16
25c.	.04	.04	National Petroleum	......	(.03½ bid .05 asked)			
1	.05	.03½	Nordon	......	(.03½ bid .04 asked)			
No	.03	.01½	Oil Selections	......	(.02 bid .03 asked)			
No	.40	.22	Okalta	1,200	.25	.30	.26	.30
No	.04½	.02	Pacalta	4,000	.03½	.03½	.03½	.03½
1	*.27	.15	Pacific Petroleum	......	(.20 bid .30 asked)			
No	.25	.25	Petrol Oil & Gas	......	(.... bid .50 asked)			
No	19.75	16.50	Royalite	89	17.50	18.00	17.50	18.00
No	.05	.02½	South End	1,500	.02½	.02½	.02½	.02½
No	.17	.10	South West Pete.	400	.14	.10	.10	.10
5	1.60	.70	Texas Can.	......	(.75 bid 1.00 asked)			
No	.04½	.03	United Oils	......	(.03½ bid .05 asked			
1	.13	.05½	Vermilata	24,500	.11	.12	.11	.12
1	.22	.15	Vulcan	3,300	.15	.17	.15	.16

Vancouver Stocks

Par Val.	Range 1942 High	Low	Company	Sales	Close June 1 (or last)	High for week	Low for week	Close June 8
1	.05½	.03	Bayonne Cons.	......	(.... bid .03½ asked)			
No	9.20	6.55	Bralorne	225	7.05	7.25	7.10	7.25
1	*.00½	.00½	Bridge River Cons.	......	(.... bid .... asked)			
1	1.74	1.00	Cariboo Gold	350	1.15	1.15	1.05	1.15
No	.01	.00½	Dentonia	......	(.... bid .01 asked)			
No	.00½	.00½	Fairview Amal.	......	(.00½ Apr. 21)			
1	.20	.10	George Copper	200	.10	.20	.20	.20
1	.00½	.04	Golconda	......	(.04 May 26)			
50c.	.18	.13	Gold Belt	......	(.14 bid .18 asked)			
50c.	.18	.13	Grandview	......	(.13 bid .... asked)			
1	.03½	.00½	Grull Wihksne	......	(.01 bid .02½ asked)			
1	.35	.25	Hedley Mascot	500	.26	.20	.20	.20
No	.00½	.00½	Home Gold	......	(.... bid .... asked)			
1	.01½	.01½	Indian Mines	......	(.01½ bid .02 asked)			
50c.	1.06	.96	Island Mountain	200	1.02	1.00	1.00	1.00
1	.30	.28	Inter'tl Coal	......	(.30 bid .34½ asked)			
50c.	.25	.15	Kootenay Belle	12,400	.22	.23	.16	.16
1	.20½	.18	McGillivray Creek	......	(.17½ bid .20 asked)			
No	.01	.00½	Minto Mines	......	(.00½ bid .... asked)			

Par Val.	Range 1942 High	Low	Company	Sales	Close June 1 (or last)	High for week	Low for week	Close June 8
No	.04	.03	Pacalta Oil	3,000				
1	.25	.14	Pacific Petroleums	......	(.19 bid .... asked)			
No	.05½	.03	Royal Canadian	4,000	.03½	.03	.03	.03
No	†.10½	.06	Royal Crest	......	(.... bid .... asked)			
No	18.63	16.00	Royalite	......	(17.50 bid .... asked)			
No	.05	.03	South End	3,000	.03½	.03	.03	.03
No	.20	.15	Southwest Pete	......	(.15 Mar. 9)			
1	.04	.04	Spooner	......	(.04½ bid .... asked)			
25c.	.09½	.08	Sunset Oil	1,000	.08	.08	.08	.08
No	.04½	.02	United	1,000	.02	.04	.04	.04
No	.04½	.04	Vanalta	......	(.04½ bid .05 asked)			
1	.20	.12	Vulcan	100	.13	.15	.15	.15

* Quotations for 1941; † 1940.

Winnipeg Stocks

(Transactions from June 1 to June 6)

	Sales	High for period	Low for period	Close June 6
Beaver Lumber, com.	200	3.25	3.25	3.25
Crescent Creamery, pfd.	50	10.00	10.00	10.00
Forty Four	355	.10	.10	.10
Marvel Oils	11,000	.05	.05	.05
Northern Trusts	160	7.00	7.00	7.00
Sachigo River	25	4.50	4.50	4.50
United Grain Growers	11	11.50	11.50	11.50
Western Breweries	1,100	2.10	2.00	2.00
Winnipeg River Tin	10	7.75	7.75	7.75

Stocks Not Traded in During Week*

	Bid	Asked		Bid	Asked
Beaver Fire	75	..	Grouped Inc.	..	3⅛
Beav. Lumber, p	100¼	..	Home Invest.	27½	..
Can. Indemnity.	150	..	Nor. C. Mtg. un	5½	..
Corr. Pap. Box c	2	..	Traders Bldg.	44	..
Dom. Envel., c.	..	8½	West. Grain, p.	..	7
Dom. Envel., p.	94	96	West. Steel	7	9
Fed. Grain, c.	.35	1¼			

*Stocks more active on other exchanges not included.

Volume of Stock Sales

	Montreal Markets Indust.	Montreal Markets Mines	Toronto Markets Ind. & Mines	Vancouver Markets Ind. & Mines
June 9	10,100	12,100	254,000	......
June 8	Holiday			
June 6	4,700	3,400	137,000	20,800
June 5	8,300	7,500	197,000	10,200
June 4	8,400	8,400	147,000	10,820
June 3	8,300	7,200	233,000	19,825

Government Bonds

Can. Nat'l. Railways:

%	Due	Bid	Ask.	Approx. Yld.
2	Feb. '43	100½	100¾	.99
2½	Jan. '46	100½	101	1.97
3	May '44	102½	103	1.44
3	Dec. '50	99¾	100½	2.97
3	Jan. '59	98¾	99½	3.06
*4½	Sept. '51	117½	118½	2.30
*4½	Feb. '56	118½	119½	2.83
4½	July '57	118¾	119½	2.92
3	Feb. '53	99	99½	3.05
4½	June '55	120½	121½	2.84
5	Feb. '54	118½	119	3.09

%	Due	Bid	Ask.	Approx. Yld.
3	Aug. '48	100	101	b2.74
3½	Feb. '53	100¾	101¾	b2.99
3½	Apr. '47	102½	104	2.63
Prince Edward Island:				
4	Mar. '54	101½	103	3.68
Quebec:				
3	Nov. '47	98	99	3.20
3½	Mar. '48	99	100	3.25
3½	Mar. '59	99½	100½	b3.47
4	Nov. '52	102½	103¾	b3.47

c-Payable Can. & N.Y. a-Payable N.Y. †-Callable on or after Sept. 15, 1966. d-Traded flat. Interest being paid at 50% of coupon rate, minimum rate 2%. e-Callable at a premium. ‡-N.Y. funds. b-Calculated to 1950 average maturity. ‡-Callable on or after earliest maturity shown and payable at maturity at 101.

Unlisted Stocks

(Furnished by A. J. Pattison Jr. & Co., Toronto)

June 9, 1942

Industrials:	Bid	Ask.
Acme Farm., pf.	46½	50
Andian National	25	26½
Anglo C. Tel., A	6	6½
Brand. Hen., c.	2½	3½
B. C. Pulp, c.	9½	10½
Do., pfd.	63	66
B. C. Sugar	64	66
B. C. Tel., 1st p.	102	..
Brown, com.	1½	1½
Do., pfd.	22½	24½
Burns & Co., A	2½	4
Do., B	1½	2
Can. Co-op. Wl.	8	..
Can. Indust., A	146	..
Can. Airways	1½	1½
Can. Ing. Rand	69	..
Can. Mot. L.A.B.	5	..
Can. Tube, c.	5½	..
Do., 1st pf.	79	..
Chase, A. W., p.	18	19½
Colonial Realty	2½	..
Colonial Steam.	40	45
Corr. Pap. Box c	1½	2½
Copeland Fl. un.	13½	15½
Dunlop T. p. $25	18	..
Easy Wash. p $10	9	10½
Galt Brass, c.	9	12
Goderich Elev.	7	8
Guard. Realty, p	15	..
Guelph Carp., c.	16½	18½
Gurney Fdry., p	1	1½
Hayes Steel, c.	13	15
Hi'land Dairy, p.	..	45
Inglis, John	4	5
Ingram & Bell, p	94	..
Kingst. Ship., un	40	..
Do., com.	8	..
Loblaw, Inc., c.	12	13
Minn.&Ont. P. c.	3½	3½
M'row Screw, p.	100	105
Do., com.	14	15½
Morrison Br. un	5	6
Moirs, Ltd.	18	20

	Bid	Ask.
Neilson, Wm., p.	100	..
N. Meth. Ldy. p.	68	..
Ont. Tobacco, p.	17½	20
Prov. Paper, pf.	100	101½
Quinte Milk	2½	3½
Stand. Fuel, c.	½	1½
Stand Fuel, p.	52	55
Do., com.	½	1½
Stedman, pf. $50	50	55
Sutton Horsley	½	1½
Tor. Carpet, c.	62	..
Do., pfd.	68	73
Un. F. Co-op.	3½	4
Un. Steel, A pf.	22	24
Viceroy Mfg., c.	12	..
Trust & Loan Stocks:		
Brit. Mtge.	120	130
Brockville Tr.	44	..
Capital Tr.	28	31
Comm. Fin., c.	4½	..
Grey&Br. Tr. $50	43	..
Guaranty Trust	100	104
Guelph & O. $50	50	53
Indust. Mtge.	24	..
Lambton Loan	30	33
Midland Loan	14	16
Premier Trust	35	38
Sherbrooke Tr.	120	..
Sterling Trust	50	53
Th. Can. Inv. Tr.	1½	1½
Traders Fin. A c	3½	5
Do., A pfd.	55	60
Trusts & Guar.	30	33
Victoria Trust	64	68
Waterloo Trust	100	..
Insurance Stocks:		
Canada Life	350	370
Brit. Amer.	50	52
Canadian Fire	80	82
Confed. 30% pd.	127	136
Cons. Fire Cas.	3½	..

	Bid	Ask.
Continental L.	30	35
Crown, fully pd.	260	280
Dominion Fire	138	..
D. of Can. Gen.	114	120
Empire, 25% pd.	5	6
Excelsior 40% pd	70	74
Great-West Life.	200	210
Federal, 25% pd.	52	54
Halifax Fire	14½	16
Imperial Life	260	270
Manufac. Life	218	222
Monarch Life	32½	34
National Life	7	10
Sov. L. 25% pd.	12½	15
Sun Life	240	260
Tor. General	4½	5½
Wellington Fire.	58	..
Western Assce.	36½	38½
Theatre Stocks:		
Allen's, St. Cath. units	53	56
Do. Kings'n un	61	63
Loew's London p	4	..
Manaf. Theat., p	30	32
Para., Kitch., p	50	..
Do., Oshawa, c	8	9½
Investment Trust Shares:		
Inv. Found. un.	42	44
Sec's. Hold., pf.	20	22
United Corp., A	20	22½
Do., B	4½	5½
Power Issues:		
Can. W. N. Gas	26	28
Do., pfd.	102	..
Gt. Lakes Pr., p	100	103
Int. Util., $1.75 p	10	13
Do., $3.50 pf.	25½	28
Mtl. Isl. Pwr. p.	40	..
Nor. Ont. Pr. p.	70	74

Unlisted Mines

Toronto, June 9, 1942

Corporation Bonds (Cont'd)

	Int. Rate	Due	Bid June 9	Ask	Bid June 2
†Restigouche Co.	6	'48	102		
Rolland Paper	4½	'51	101½	104	101½
Ruddy, E. L.	6½	'48	84	87	84
Silv. Dairies	6	'66	94	97	94
Simpsons, Ltd.	4½	'54	99½	102	99½
Smith, Howard.	4½	'51	103	105	103
Stand. Lime	6	'44	98½	101½	98½
Sterling Coal	6	'45	99	102	99
Stop Shop	3	'47	61½	64½	60
Unit. Amuse.	5	'56	100	...	100
United Corp.	5	'53	94	97	94
*United Gas	5½	'48	104½	107½	104½
United Gr. Grs.	5	'48	100½	103½	100½
†Western Grain	6	'49	60½	63½	60½

*Payable in Can. or U. S.
†Payable in Can., U. S. or U. K.
*Payable in U. S.
‡Payable in Canada only.
‡Traded without accrued interest.
▲Payable in Can. or U. K.

Municipal Bonds

June 9, 1942

	%	Due	Bid	Ask	Yld. %
†Halifax	5	1961	114.00	117.00	3.74
Hamilton	5	1950	109.25	112.25	3.25
Montreal	5	1945	91.00	94.00	*
Ottawa	4½	1945	104.75	106.25	2.45
†Quebec	5	1959	108.00	112.00	4.02
Saint John	5	1950	105.00	108.00	3.90
†Toronto	4½	1955	110.00	113.00	3.18
†Vancouver	5	1950	99.00	103.00	4.54
Winnipeg	5	1944	100.75	103.75	2.98

†Payable Can. & N.Y. *Flat.

Investment Trusts

	Bid	Asked
Affiliated Funds	1.79	1.96
Can. Amer. Trust	2.30	3.00
Can. Int. Trust	3.50	4.25
Can. Invest. Fund	3.00	3.30
Corp. Investors	5.01	5.40
Trans-Canada	8.45	9.30

Annual Meetings

1942: Company	Place
June 12—Loew's London Theat.*	Toronto
June 12—Ottawa L., H. & Pwr. ..	Ottawa
June 15—Castle-Trethewey M. ..	Toronto
June 15—McIntyre Porc. M.	Toronto
June 15—Omega Gold Mines	Toronto
June 15—Temiskaming Mng. Co.	Toronto
June 17—Chateau-Gai Wines	Toronto
June 19—Ontario Silknit	Toronto
June 22—East Crest Oil	Calgary
June 24—Delnite Mines	Deloro twp., Ont.
June 25—Brazilian Traction	Toronto
June 25—Sylvanite Gold ..	Kirkland Lake
June 26—East Koot. Power	Montreal
July 17—Yukon Consol. Gold	Toronto

*Special general.

Mining Dividends

	Rate	June 8	%
Argus Interests	†4c	2.05	..
Anglo-Huronian	10c	2.25	..
Aunor Gold	16c	1.19	13.4
Bayonne	†1c	.03½	..
Beattie Gold	7c	.70	..
Berens River	6c	.65	..
Bralorne	80c+40c	7.45	*16.1
Broulan Porc.	12c	.47	..
Buffalo Ankerite	▴30c	1.70	..
Bulolo Gold	$3	8.25	..
Can. Malartic	8c	.40	..
Cariboo Gold	16c+1c	1.15	*14.8
Central Patricia	16c+2c	1.05	*17.1
Chesterville	▴15c	.85	..
Cochenour Willans	6c	.73	8.2
Coniagas	10c	.80	..
Coniaurum	‡7c	.72	..
Cons. Smelters	$1+$1.50	37.50	*6.7
Delnite	6c	.49	..
Dome Mines	$1.60	15.87	10.1
East Malartic	‡5c	1.59	..
Francoeur Gold	▴4c	.25	..
Goldale Mines	2c	.09	..
Gold Belt	2c	.18	..
Grandview	1c	.13	..
Grull Wihksne	†.00½c	.01½	..
Hallnor	40c	2.15	18.6
Hard Rock	3c	.46	..
Hedley Mascot	8c	.20	..
Hollinger	65c	8.70	7.5
Howey Gold	2c	.15	..
Hudson Bay	$2	24.50	8.2
Inspiration	▴2c	.25	..
Inter. Nickel, com.	$2	31.50	6.3
Island Mountain	8c	1.00	..
Jason	▴4c	.15	..
Kerr-Addison	‡17c	4.30	..
Kerr Lake	▴5c	.50	..
Kirkland Lake	8c	.52	..
Lamaque Gold	40c+15c	3.70	*14.8
Lake Shore	80c	9.25	8.6
Leitch	8c	.58	..
Little Long Lac	▴20c	1.05	..
Macassa	32c+3c	2.40	*14.6
Madsen R. Lake	3c	.53	..
Malartic Gold	▴10c	1.80	..
McGillivray Coal	▴2c	.18	..
McKenzie Red L.	12c	.69	17.4
Moneta	8c	.28	..
McIntyre-Porc.	$2.22+$1.11	40.00	*8.3
MacLeod-Cockshutt	10c	1.45	..
Negus	2½c	.38	..
Nipissing	15c	.90	16.6
Noranda	$4	45.25	8.8
North Empire	‡10c	3.75	..
O'Brien Gold	3c	.73	..
Pamour Porc.	▴12c	.60	..
Pato Cons.	‡25c	2.05	..
Pend Oreille	▴6c	1.40	..
Perron Gold	16c+1c	1.06	*16
Pioneer, B. C.	32c	1.35	..
Pickle Crow	30c	1.92	15.6
Placer Develop.	25c	4.25	..
Premier	8c	.54	14.8
Preston E. Dome	20c	2.23	9.1
Privateer Mines	12c+1c	.30½	..
Quebec Gold	▴2c	.20	..
Reno Gold	•20c	.03¾	..
San Antonio	14c+6c	1.85	*10.8
Sheep Creek	16c+4c	.78	25.6
Sherritt Gordon	10c	.73	..
Sigma Mines	30c	5.25	..
Silbak Premier	16c	.60	26.6
Siscoe	‡3½c	.45	..
Sturgeon River	2c	.12	..
Sudbury Basin	2½c	1.60	..
Sullivan Cons.	‡6c	.60	..
Surf Inlet	▴2c	.10	..
Sylvanite Gold	20c	1.75	11.4
Teck-Hughes	40c	1.75	22.8
Toburn	12c+4c	.90	*17.8
Upper Canada	‡5½	.90	..
Ventures	‡15c	5.00	..
Waite Amulet	40c	4.30	..
Wendigo	3c	.14	..
Wright-Harg.	40c+5c	2.60	17.3
Ymir Yankee	▴2c	.03½	..

▴Paid in 1941. *Yield including bonus. †Initial. ‡Paid in 1942 to date. •Capital distribution.

Dividends Declared

	This payment	Date payable	Date of record
Amer. Cyan., A, B	†15c	July 1	June 12
Do., pref.	†12½c	July 1	June 12
Agnew-Surpass, p.	$1.75	July 2	June 15
Alta. W. Pres., pf.	$1.75	July 2	June 26
Aluminium	$2	June 5	May 15
Asbestos Corp.	20c	June 30	June 1
Do. extra	10c	June 30	June 1
Assoc. Brew.	25c	June 30	June 10
Do., pref.	$1.75	July 1	June 10
Ajax Oil	2c	June 23	June 5
Algoma Steel, pfd.	$2.50	July 1	June 15
Amal. Electric	25c	July 2	June 15
Acme Glove, pfd.	$3.25	July 2	June 18
Brit. Amer. Oil	25c	July 2	June 11
Beatty Bros., 2nd p.	$3.50	July 2	June 15
B. C. Power, A	50c	July 15	June 30
Bell Telephone	$2	July 15	June 23
Brazilian Tr., pfd.	$1.50	July 2	June 15
Bk. of N. Scotia	$3	July 2	June 15
Berens R. Mines	3c	June 15	May 27
Brant. Cordage, pf	32½c	July 15	June 20
Brazilian Tr., c.	40c	July 18	May 30
Belding Cort.	$1	July 2	June 15
Do., pref.	$1.75	July 2	June 15
Beath & Son	80c	July 1	June 15
Barber Ellis, pref.	$1.75	July 15	June 30
Barber Ellis, c.	12½c	June 15	Mar. 31
Blue Top Brew., A	30c	June 30	June 15
Bruck Silk	10c	June 15	May 9
Bright, T. G., pfd.	$1.50	June 15	May 30
Beattie Gold	3c	June 26	June 4
Building Prod.	17½c	July 2	June 15
Burlington Steel	15c	July 2	June 15
Can. Cr. Stone	10c	June 15	June 1
Can. Canners	12½c	July 2	June 15
Do., 1st pref.	25c	July 2	June 15
Do., partic.	5c	July 2	June 15
Do., 2nd pref.	15c	July 2	June 15
Do., partic.	5c	July 2	June 15
Can. Wire & C., A	$1	June 15	May 31
Do., B	50c	June 15	May 31
Do., pref.	$1.62½	June 15	May 31
Canada Malting	50c	June 15	May 30
Can. Machinery	50c	June 27	June 13
Canada Packers	$1	July 2	June 15
Canadian Oil, pf.	$2	July 2	June 20
Canada Cycle	30c	June 30	June 15
Do., pref.	$1.25	June 30	June 15
Can. Nor. Pwr.	▪15c	July 25	June 20
Do., pref.	▪$1.75	July 15	June 20
Candn. Car, pfd.	44c	July 10	June 20
Can. Cottons	$1	July 2	June 6
Do., pref.	$1.50	July 2	June 6
Can. Breweries, pf.	85c	July 2	June 15
Can. Celanese	25c	June 30	June 16
Do., extra	25c	June 30	June 16
Do., pref.	$1.75	June 30	June 16
Can. Gen. Elec.	$2	July 1	June 13
Can. Malartic G.	2c	June 26	June 10
Cariboo Gold	4c	July 2	June 5
Can. West'ghouse	▪50c	July 1	June 15
Carnation, 1st pfd.	$1.25	July 1	June 19
Cons. Bakeries	15c	July 2	June 15
Can. For. Inv., pref.	$2	July 1	May 15
Can. Silk Prod., A	37½c	June 30	June 15
Canada Bud Br.	▪20c	July 10	July 4
Can. Foundries, A	37½c	June 15	June 1
Canada Bread, pfd.	$1.50	July 1	June 15
Do., (B) pref.	62½c	July 1	June 15
Canada Cement, pf.	$1.25	June 20	May 30
Can. Perm. Mtge.	$2	July 2	June 15
Celanese of Am., c.	†50c	June 30	June 16
Do., pr. pref.	†$1.25	July 1	June 16
Do., 7%	†$1.75	July 1	June 16
Do., 2nd pref.	†$1.75	July 1	June 16
Chartered Trust	$1	July 2	June 15
Cockshutt Plow	25c	June 18	June 4
Confederation Life	$1.50	June 30	June 25
Do.	$1.50	Sept. 30	Sept. 25
Do.	$1.50	Dec. 31	Dec. 25
Command Oils	2c	June 15	May 21
Comm. Alcohols	5c	July 15	June 30
Do., pref.	10c	July 15	June 30
Consumers' Gas	$2	July 2	June 15
Cons. Div. Std. Sec., p.	37½c	June 15	May 30
Coniaurum Mines	3c	June 26	June 8
Cent. Pat. Mines	4c	June 30	June 15
Cent. Can. Loan	$2	July 2	June 20
Dom. & Ang. Inv., c.	$4	July 15	June 30
Dom. Foundries	25c	July 2	June 20
Do., pref.	$1.50	Sept. 1	Aug. 20
Dom. Glass	▪$1.25	July 2	June 15
Do., pref.	▪$1.75	July 2	June 15
de Havilland, pfd.	$1.75	June 15	May 30
Do., arrears	$1.75	June 15	May 30
David & Frere, A	25c	June 30	June 15
Dom. Textile	$1.25	July 2	June 5
Do., pref.	$1.75	July 15	June 16
Dunlop Tire, pfd.	62½c	June 30	June 15
Dome Mines	▪40c	July 20	June 30
Distillers Seag., c.	55½c	June 15	May 29
Do., pref.	†$1.25	Aug. 1	July 15
Eng. Electric, A	63c	June 15	May 30
Famous Players	25c	June 27	June 13
Fernie Brew.	60c	July 2	June 15
Do., extra	40c	July 2	June 15
Fanny Farmer	†37½c	July 1	June 15
Ford Motor	25c	June 20	May 30
Foundation Co.	35c	July 18	June 30
Goodyear Tire	63c	July 2	June 15
Do., pref.	62½c	July 2	June 15
Gould Pumps, pfd.	†$1	July 2	June 22
Gold Belt M.	2c	June 15	May 30
Gatineau Pwr.	15c	June 30	June 1
Do., 5% pref.	$1.25	July 1	June 1
Do., 5½% pref.	$1.38	July 1	June 1
Greening Wire	15c	July 2	June 15
Great-West Life	$3.75	July 2	June 20
Ham. Un. Theat. p	$1.25	June 30	June 15
Halifax Fire	25c	July 2	June 10
Hollinger Cons.	5c	June 17	June 3
Hamilton Cotton, c.	*10c	July 2	June 15
Do., pref.	50c	July 2	June 15
Harding Carpets	10c	July 2	June 15
Do., extra	5c	July 2	June 15
Hinde & Dauch	25c	July 2	June 1
Hard Rock Gold	3c	June 17	June 1
Honey Dew	50c	July 2	June 15
H. Smith Paper, p.	$1.50	July 15	June 30

Further Decline in Canadian Carryover

But Counterbalanced by Soaring Supply in U. S.

From Our Own Correspondent

WINNIPEG. — A drop of approximately five million bushels last week in the visible supply of Canadian wheat makes it clear that before the end of this month the figure will be below 400 million bushels and that the total carryover of Canadian wheat at the end of the crop year on July 31 will be well below that figure.

How much below will depend upon the circumstances of Atlantic shipping, and the rate at which Britain finds it convenient to transport wheat, and possibly to forward it in quantity to Russia.

The drop in the Canadian carryover, however, is counterbalanced by a large increase in the carryover of wheat in the United States, and by the prospects in that country for a very large crop this year.

Such reduction in acreage as has been brought about in the United States by government policies directed to that end has been offset by extremely favorable conditions for the winter wheat crop. If spring wheat turns out proportionately as well, total production in the United States may well run over 900 million bushels.

Expect More Than Average

If the present hopes of all farmers in western Canada should be realized, this year's wheat crop would give a yield considerably above the average. Probably in no area have conditions been such, as yet, to prevent a large crop being realized.

It is still the case, of course, that in a considerable area lying across the central boundary between Alberta and Saskatchewan, sub-soil moisture is lacking, and surface moisture has been only sufficient to keep the crop going. But with adequate rains soon enough, even that area could produce well.

The wheat delivery allotment for western farmers from this year's crop is to be 280 million bushels. Allowing for seed and feed, a total crop of about 350 million bushels would about balance deliveries; with one of 400 millions the surplus would not be embarrassingly large, as surplus wheat could be fed, releasing coarse grains for sale on the market which has been guaranteed by the government.

To produce such a crop would require an average yield of 20 bushels per seeded acre, against the long term average of 16 bushels per acre.

It is not an impossible prospect, in view of the fact that the greater part of this year's wheat crop has been in on summer-fallowed land, on which the average yield is well above the average for land growing its second crop of wheat.

Still Real Danger

Entomologists continue their warnings that damage from sawfly in southwestern Saskatchewan and southern Alberta may be considerable. The danger is largely contingent on the weather.

The greater part of the west is already assured an excellent grass crop, a fact of unusual importance in view of the extent to which livestock operations have been extended, and the fact that old crop supply of feed grains are scarce.

Announcement Helps

There has been a good deal of market interest in the announcement at Ottawa that the government intends to continue its policy of subsidizing the movement of feed grains out of the Prairie Provinces by absorbing freight costs from the head of the lakes eastbound or from Calgary west-bound on grain to be fed in Canada.

Previous to that announcement, forwarders had been showing some nervousness about moving more grain at the present time, for fear of being left with stock on hand from which their freight costs could not be covered.

While the current movement is not large it is sufficient to absorb what supplies of oats and barley are being offered by farmers. Some supplies of such grain, now being hoarded by farmers, may be released for sale later, if it is clear that the new crop is going to give them sufficient feed for their own operations.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$12.44	$11.69	$8.69
Hogs	15.35	15.33	12.78
Copper, lb.	*.12	.12	.12
Cotton, lb.	.1993	.2053	.1384
Sugar, raw, lb.	*.0374	.0374	.0341
Wheat, Man. (bu.)	.79⅞	.79⅝	.76⅞
Coffee, lb.	*.09⅜	.09⅜	.08¼
Hides	*.15½	.15½	.16
Weekly Indices			
U. S. Labor	98.8	98.7	85.2
Wood, Gundy	76.7	76.9	72.0
Dow Jones (fut.)	84.35	86.04	70.01
Fishers	106.8	106.6	92.4
Monthly Indices			
Canada (D.B.S.):			
Retail (May)†	116.1	115.9	109.4
W'sale (Apr.)	95.0	95.1	86.8
U. S. (Mar.)	97.6	96.7	81.5
Gt. Brit. (Feb.)	158.5	156.4	150.0

Note:—The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good, over 1,050 lb., top price, Toronto. Copper-electrolytic. New York, No. 7 coffee, Rio. Sugar—96 degrees centrifugal, c/f New York. Wheat—No. 1 Man. North., Ft. W.-Pt. A. basis.

*Ceiling prices fixed by the office of Price Administration.

Dividends Declared (Cont'd)

Hudson Bay M.	$1	June 29	June 12
Home Oil	▪15c	June 15	May 15
Howey Gold	2c	June 29	May 26
Huron & E. Mtge.	1%	July 2	June 15
Inter. Nickel, c.	†50c	June 30	June 1
Inter. Power, pfd.	$1.75	July 2	June 15
Inter. Nickel, pfd.	†$1.75	Aug. 1	July 2
Inter. Paper, pref.	†$1.25	June 29	June 19
Imperial Tob., ord.	10c	June 30	June 12
Indust. Mtge.	$1	July 2	June 15
Kerr Addison	7c	June 29	June 10
Lake Shore M.	20c	June 15	June 1
Landed Bkg.	$1	July 2	June 15
Lang, J. A.	17½c	July 2	June 15
Langley's, pfd.	▪50c	Sept. 11	Sept. 2
Do.	▪50c	Dec. 11	Dec. 2
Louisiana Land	†10c	June 15	June 1
Levy Bros.	10c	July 1	June 15
Marcus Loew's, pf.	$1.75	June 30	June 15
Madsen R. L.	3c	June 25	June 10
Midland Loan	40c	July 2	June 15
Mitchell, Robt.	15c	June 30	June 15
Mtl. C. & D. Bank	$3	July 2	June 15
Do., extra	$1	July 2	June 15
Moore Corp.	55½c	July 2	June 5
Do., pref., A, B	†$1.75	July 2	June 5
Model Oils	3c	June 20	May 30
McK. Red Lake	3c	June 15	June 1
Mod. Containers	20c	July 2	June 20
Do., extra	10c	July 2	June 20
Do., pref.	$1.37½	July 2	June 20
MacKinnon Stl., p.	$1.25	June 15	May 30
Montreal Loan	31¼c	June 15	May 31
Macassa Mines	8c	June 15	May 30
Montreal Cottons	$1	June 15	May 30
Do., pref.	$1.75	June 15	May 30
McColl-Front., pfd.	$1.50	July 15	June 30
National Trust	$2	July 2	June 20
Nat. Biscuit, c.	†30c	July 15	June 12
Noranda Mines	$1	June 15	May 20
Nat. Breweries	50c	July 2	June 12
Do., pref.	44c	July 2	June 12
North Star Oil, p.	8¾c	July 2	June 15
Nat. Grocers, c.	▪40c	July 20	July 6
Nat. Grocers, pfd.	38c	July 1	June 15
Nat. Steel Car	50c	July 15	June 30
N. S. Lt. & Pwr., c.	$1.50	July 2	June 15
Ogilvie Flour, c.	25c	July 2	June 17
Ottawa L. & Pr.	15c	July 1	May 18
Do., pref.	$1.25	July 1	May 18
Ottawa Elec. Rly.	50c	July 2	June 10
Ont. Loan & Deb.	$1.25	July 2	June 15
Perron Gold	▪4c	June 20	June 1
Para. Pictures	†25c	July 1	June 17
Do., 1st pref.	†$1.50	July 1	June 17
Pato Cons. Gold	15c	June 15	May 29
Placer Develop	25c	June 15	May 22
Porto Rico Pwr., p.	$1.75	July 2	June 15
Power Corp., c.	▪15c	June 30	June 10
Do., 1st pref.	$1.50	July 15	June 20
Do., 2nd pref.	▪75c	July 15	June 20
Paton Mfg.	$1	June 15	May 31
Do., pref.	$1.75	June 15	May 31
Preston E. Dome	5	July 15	June 30
Pioneer Gold	8c	July 2	May 30
Page Hersey	$1.25	July 1	June 15
Price Bros., pfd.	$1.37½	July 1	June 20
Premier Gold	2c	June 30	June 16
Proprietary Mines	7c	July 2	June 20
Real Estate Loan	$1	July 2	June 17
R. S. Mills, A	50c	July 2	June 15
Remington Rand	†20c	July 1	June 10
Do., pref.	†$1.12½	July 1	June 10
Russell Ind.	20c	June 30	June 15
Do., pref.	$1.75	June 30	June 15
Regent Knit., c.	25c	Sept. 15	Aug. 31
Regent Knitting pfd	‡40c	Sept. 1	Aug. 15
Reliance Grain, p.	$1.62½	June 15	May 30
Simon & Sons	15c	June 27	June 13
Do., pref.	$1.75	June 27	June 13
Sangamo	25c	June 27	June 24
Sheep Creek	4+1c	July 15	June 30
Simpsons, pref.	$1.62½	Aug. 1	July 18
Supertest P., ord. c.	50c	July 2	June 12
Do., B pref.	75c	July 2	June 12
South. Can. Pr., p.	$1.50	July 15	June 20
Do., com.	20c	Aug. 15	July 20
Stand. Fuel, pfd.	$1	July 1	June 15
Securities Hold., p.	75c	June 30	June 16
Sher.-Williams, ord.	15c	Aug. 1	July 15
Supersilk H., pref.	$2.50	July 2	June 12
Sher.-Williams, pf.	$1.75	July 2	June 15
Sylvanite Gold	5c	June 30	May 9
Siscoe Gold	1½c	Jun 15	May 13
Stedman Bros.	15c	July 1	June 20
Do., pref.	75c	July 1	June 20
Sutton Horsley	*5c	June 20	May 30
Sullivan Cons.	3c	July 15	June 15
Stand. Chem.	75c	July 30	June 30
Sun Life Assur.	$3.25	July 1	June 15
Tuckett Tob., p.	$1.75	July 15	June 30
Tor. Elevators, p.	68c	June 6	May 22
Tamblyn, G.	20c	July 2	June 12
Do., pref.	62½c	July 2	June 12
Tor. Gen. Trusts	$1	July 2	June 13
Treadwell Yukon	†*5c	June 15	June 5
Toronto Mortgage	$1.25	July 1	June 15
Union Gas	20c	June 15	May 20
Viau, pref.	$1.25	July 2	June 20
Ventures	▪5c	June 30	June 16
Wabasso Cotton	50c	July 2	June 20
Weston, Geo., c.	20c	July 1	June 12
West. Grocers	75c	July 15	June 20
Do., pref.	$1.75	July 15	June 20
Walker, Hiram	$1	June 15	May 22
Do., pref.	25c	June 15	May 22
Wilsil	25c	July 1	June 15
Wr. Hargreaves	20c	July 2	May 28

†Payable in U. S. funds. ▪Subject to approval of Foreign Exchange Control Board. ‡Also 40c payable Dec. 1. *Initial. •Initial capital distribution.

Dividends Deferred: Bright, T. G., com. June 15. Falconbridge Nickel, last paid 5 cents, Mar. 26, 1942.

Company Reports

International Power

Continued increase in demand for electric service in the territories served by the company's subsidiaries, says the International Power Co. 1941 report, necessitated an expenditure on capital account during the year of $2.1 millions. This included, in addition to extensions to distribution systems to serve new customers, the installation of a 7,500 k.w. steam turbine-generator and construction of additional hydro-electric plants with total generating capacity of 8,950 h.p.

During the year net funded debt of the company and subsidiaries showed a reduction of $142,268. In addition to regular quarterly dividends on the 7% preferred an extra of $1.25 per share was paid on arrears, reducing the accumulation to $30 per share.

Consol. Income and Surplus Account Years Ended Dec. 31

	1941 $	1940 $
Gross earn. of subsids.	6,514,262	5,985,108
Less: Oper. & admin. exps. & taxes, less exchange profit	2,877,421	2,407,403
Net earns. of subsids.	3,636,841	3,577,705
Less: Int. on subsid. funded debt & exch.*	352,025	341,210
Divs. on subs. stks.*	92,567	93,484
Deprec. & renew. res.	959,615	888,654
Contingency res.	365,000	340,000
General reserve	12,915	11,008
Minor. int. in surp.	46,195	34,031
Amort. of bond disc. & exp.	114,388	96,524
Net avail. to parent co.	1,694,136	1,772,794
Add: Misc. inc. Int. Power Co. Ltd.	90,089	87,176
	1,784,225	1,859,970
Less: Exps. Int. Power Co. Ltd.	50,950	†513,557
Debent. int. & exch.	360,489	422,498
Net profit	1,372,786	923,915
Dividends: First pref.	660,000	520,000
	712,786	403,915
Previous surplus	3,156,010	2,755,867
	3,868,796	3,159,782
Less: Accts. of subs.	9,351	3,772
	3,859,445	3,156,010

*In hands of public.
†Includes reserve for advances to subsidiary companies, $400,000.

Earned per share:		
1st Preferred	$11.19	$9.51
Paid	8.25	6.50
Preferred	16.75	10.05
Paid	nil	nil
Common	1.86	0.70
Paid	nil	nil
Working capital	472,715	181,962
Balance Sheet Changes	$	$
Cash	743,600	535,913
Accts. receivable	1,076,800	987,755
Inventories	798,689	623,581
Bank loans	610,057	570,363

Porto Rico Power

Porto Rico Power Co. earnings showed a moderate recession during 1941. Expenditures on capital account during the year totalled $941,646, which included an addition to the steam plant of a 7,500 k.w. turbine generator. There was written off property account for equipment retired from service $209,768.

Refunding mortgage bonds purchased for sinking fund purposes amounted to $160,113, of which $58,400 were cancelled in accordance with terms of the trust deed and the balance together with bonds previously acquired totalling $255,500 being held for future sinking fund installments. Debentures held by the public are down $16,500, while $108,000 are held in treasury for future sinking funds.

Consol. Income and Surplus Account Years Ended Dec. 31

	1941 $	1940 $
Operating profit	1,226,569	1,283,758
Less: Int. on funded debt & exch.	80,607	101,937
Other interest (net)	30,184	20,020
Directors' fees	5,000	5,000
Depreciation	250,000	250,000
Prov. for conting.	340,000	340,000
Amort. of funded debt	43,845	43,845
Net profit	476,933	522,956
Less: Pref. divds.	70,000	70,000
Common divds.	240,000	240,000
Surplus for year	166,933	212,956
Add: Prev. surplus	618,580	407,026
Less: Adjustments	16,031	1,402
Surplus forward	769,482	618,580
Earned per share:		
Preferred	$47.69	$52.29
Paid	7.00	7.00
Common	13.56	15.09
Paid	8.00	8.00
Working capital deficit	565,243	248,503

Distillers Seagrams

Material expansion in profits is reported by Distillers Corp.-Seagrams Ltd. for the three months ended Apr. 30, 1942, and for the nine-month period ended the same date. Detailed make-up of the income statement is not presented this quarter as in previous periods.

Earnings Statement

Three Months Ended Apr. 30	1942 $	1941 $
Profit after all oper. chgs.	7,757,490	2,921,354
Less: Taxes	4,113,677	972,796
Net profit	3,643,813	1,948,558
Nine Months Ended Apr. 30	1942 $	1941 $
Profit after all oper. chgs.	20,904,234	6,353,776
Less: Taxes	11,588,373	2,415,138
Net profit	9,315,861	3,938,638

Commercial Alcohols

Gain in profits of Commercial Alcohols Ltd. during the year ended Mar. 31, 1942, was due to the large increase in volume of business transacted, states C. G. Kertland, president, in the annual report.

Operations and sales during the year are stated to have been satisfactory, and the plants are operating at full wartime capacity. Plant and equipment additions totalling $14,714 were made during the year. These additions were made to increase plant capacity to take care of war orders.

Income and Surplus Account Years Ended Mar. 31

	1942 $	1941 $
Operating profit	260,865	158,883
Less: Exec. remun.	15,215	13,402
Directors' fees	3,085	1,080
Legal fees	363	290
Depreciation	34,223	21,682
Income & E. P. taxes	117,500	48,914
Loss sale invests.	187	......
Net profit	90,111	73,515
Less: Pref. divds.	20,000	20,000
Common divds.	39,338	19,059
Surplus for year	30,773	34,456
Add: Prev. surplus	156,212	129,976
Less: Prior yr. taxes	......	8,220
Earned surplus for'd	186,985	156,212
Earned per Share:	$	$
Preferred	1.80	1.47
Paid	0.40	0.40
Common	0.35	0.28
Paid	0.15	0.10
Working capital	323,132	261,885
Balance Sheet Changes	$	$
Cash	212,241	50,831
Investments	80,000	5,000
Accts. receivable	54,682	78,989
Inventories	138,109	195,953
Fixed assets	408,672	395,127
Less: Depreciation	223,619	189,599

Vaughan Outlines Ways Rails Handle Peak Load

Canadian railways are moving the largest volume of traffic in their history, but can handle more freight business without difficulty, R. C. Vaughan, president, Canadian National Railways, states. Using the yardstick of the Canadian National increase in business, Mr. Vaughan stated that the general increase in the volume of business now being handled is approximately 20% more than that in the peak year of 1928, and more than 75% greater than that handled by the railways during the peak year of the last world war.

He pointed out that new yards had sprung up throughout the system, special traffic controls, and storage yards, where goods are assembled to await telegraphic orders to be loaded and rushed to whatever sea-port determined. "Heavier motive power has made it possible to operate fast, through freight trains and to increase the size of the loads carried. In 1918, a long freight train was between 50 to 60 cars; in this war, our trains frequently begin at 60 cars and run as high as 90 loaded cars, or more."

Passenger traffic, Mr. Vaughan stated, was proportionately heavy. He said that not only were there heavy demands made upon the railways for troop movements of the various services, but there were "industrial" chartered trains, operated daily, to carry munitions workers to plants located outside cities and towns. At present the National System had more than 100 coaches assigned solely to this service. Apart from these special demands upon the railways, there was a tremendous increase in general passenger traffic.

He said the Canadian National would shortly introduce an innovation in dining car service on certain main-line passenger trains by the operation of a new "cafe" car which was in reality a coffee shop on wheels This would augment, in many cases, the dining cars and offer a new facility for quick service. These cars were so designed that they could be shifted to passenger runs as the occasion demanded. He stated that these new "cafe" cars were in reality re-built pullman cars, acquired by the railway, and that eight of them were now being completed at the London car shops. Mr. Vaughan added that new locomotives were on order, as well as several thousand freight cars.

Mr. Vaughan added that the Canadian National Railways likewise were producing war materials, as well as moving them. He pointed out that Canadian National shops were making naval guns and other war devices of which he could not speak. Several mine sweepers had been built, as well as a number of 10,000-ton cargo boats. The company also had charge of operation for the Government, of a fleet of merchant ships, which had been acquired from time to time from other powers, both neutral and otherwise.

Wheat Prices

Winnipeg Grain Futures

Week to June 8, 1942

Crop year from Aug. 1, 1941 High	Low		High for week	Low for week	Close June 8
		Wheat			
.82⅛	.77½	July ...	.80⅜	.80⅜	.80⅜
		Oats			
.51¾	.42⅛	July ...	.51½	.51⅛	.51½
.50⅝	.46	Oct. ...	.49⅝	.48⅝	.49⅜
		Barley			
.64¾	.55⅛	July ...	.64¾	.64¾	.64¾
.63⅞	.57	Oct. ...	.63⅞	.63	.63¼
		Rye			
.66⅜	.56⅛	July ...	.60⅞	.56⅛	.58
.66⅝	.57⅛	Oct. ...	.62¼	.57½	.57½

Cash Quotations

	For Week June 8 High	Low	Prev. Week High	Low
Wheat:				
1 Hard ..	.79⅞	.79⅜	.79⅜	.79⅜
1 Nor. ..	.79⅞	.79⅜	.79⅜	.79⅜
2 Nor. ..	.76¾	.76½	.76½	.76⅜
3 Nor. ..	.73¾	.73⅜	.73¾	.72⅝
4 Nor. ..	.71¾	.71⅜	.71⅜	.71⅜
5 Wheat .	.69⅞	.69⅞	.69⅞	.69⅞
6 Wheat .	.67⅞	.67⅞	.67⅞	.67⅞
Feed	.66⅜	.65⅜	.65⅜	.65⅜
Oats:				
2 C. W. .	.51⅛	.51½	.51½	.51½
3 C. W. .	.51½	.51⅛	.51½	.51⅛
Barley:				
1 Feed ..	.64¾	.64¾	.64¾	.64¾
2 Feed ..	.64¾	.64¾	.64¾	.64½
Rye:				
2 C. W. .	.57⅞	.55⅜	.62	.59⅝

Stobie-Forlong Assets, formed to liquidate the assets of the former Toronto brokerage house, is paying its ninth dividend of 1.005 cents on $1 on June 30, this year. Previous payments had totalled 22 cents on $1 with last payment made June 28, 1940. Payment is made by the London & Western Trusts Co., Toronto.

DIVIDEND NOTICES

SIMPSONS, LIMITED

Preference Dividend No. 46

NOTICE is hereby given that a Dividend of One dollar and sixty-two and one-half cents ($1.62½) per share on the Outstanding Paid-up Six and one-half per cent (6½%) Cumulative Preference Shares of the Company has been declared payable August ●, 1942, to shareholders of record as at the close of business on July 18, 1942. The transfer books will not be closed.

FRANK HAY, Secretary.

Toronto, June 9, 1942.

DIVIDEND NOTICES

Canada Permanent Mortgage Corporation

Notice is hereby given that a Dividend of TWO PER CENT. on the paid-up Capital Stock of the Corporation has been declared for the current quarter, and that the same will be payable

Thursday, the Second Day of July

next, to Shareholders of record at the close of business on the Fifteenth day of June 1942.

By order of the Board.

WALTER F. WATKINS, Secretary.

Toronto, May 22nd, 1942.

DIVIDEND NOTICES

Canadian Car & Foundry Company Limited

DIVIDEND NOTICE — PREFERENCE STOCK

Notice is hereby given that a dividend of forty-four cents (44c) per share on the paid up Preference Stock of the Company for the quarter ending June 30th, 1942, has been declared, payable on the 10th day of July, 1942, to Shareholders of record on the 20th day of June, 1942.

By order of the Board,

A. C. BOURNE, Secretary.

Montreal, June 8th, 1942.

Central Patricia Gold Mines, Limited

DIVIDEND NO. 24

The regular quarterly dividend of 4c per share, Canadian Funds, has been declared by the Directors on the capital stock of the company, payable the 30th day of June, 1942, to the shareholders of record at the close of business on the 15th day of June, 1942.

Dated at Toronto this 6th day of June, 1942.

By Order of the Board,

ALAN COCKERAM, Secretary-Treasurer.

Western Grocers Limited

NOTICE OF DIVIDENDS

Notice is hereby given that the following dividends have been declared:

On the Preference Shares 1¾% ($1.75) for the current quarter;

On the Common Shares, 75c per share;

Payable July 15th, 1942, to shareholders of record June 20th, 1942.

By order of the Board.

W. P. RILEY, President.

POWER CORPORATION OF CANADA LIMITED

The Board of Directors has declared this day the following dividends.

No par value Common Stock

No. 22, Interim, 15c. per share payable June 30th, 1942, to holders of record at the close of business June 10th, 1942.

6% First Cumulative Preferred Stock

No. 68, quarterly, $1.50 per share.

6% Non-Cumulative Participating Preferred Stock ($50 par value)

No. 60, quarterly, 75c. per share. Payable July 15th, 1942, to holders of record at the close of business June 20th, 1942.

L. C. HASKELL, F.C.I.S., Secretary.

Montreal, May 22nd, 1942.

DIVIDEND NOTICES

Canada Bud Breweries Limited

DIVIDEND NOTICE

Notice is hereby given that subject to the approval of The Foreign Exchange Control Board a dividend of twenty cents (20c) per share on the 150,000 outstanding no par value common shares of Canada Bud Breweries Limited, has been declared payable on the 10th day of July, 1942, to shareholders of record at the close of business on the 4th day of July, 1942.

By order of Board of Directors.

J. S. FITZGERALD, Secretary-Treasurer.

Toronto, June 4th, 1942.

Sheep Creek Gold Mines Limited

(Non-Personal Liability)

Notice of Dividend No. 25

Notice is hereby given that a Quarterly Dividend of four cents per share, and a special bonus of one cent per share, have been declared on the paid-up Capital Stock of the Company, payable on the 15th day of July, 1942, to shareholders of record at the close of business on the 30th day of June, 1942.

Persons holding certificates not registered in their name, commonly known as "street" certificates, should have them registered in their name by the Company's transfer agents, Prudential Trust Company Limited, at their office, 475 Howe Street, Vancouver, B.C., or at their office, 217 Bay Street, Toronto, Ontario, on or before 30th June next.

By Order of the Board.

JAMES ANDERSON, Secretary.

Vancouver, B.C., June 4th, 1942.

DIVIDEND NOTICE

BRITISH AMERICAN OIL COMPANY B-A LIMITED

NOTICE is hereby given that a dividend of Twenty-five Cents (25c) per share has been declared on the issued No Par Value capital stock of the Company for the second quarter ending June 30, 1942. The above dividend is payable in Canadian funds, July 2nd, 1942, to shareholders of record at the close of business on the 11th day of June, 1942.

H. H. BRONSDON, Secretary.

Dated at Toronto, June 8th, 1942.

The Sherwin-Williams Company of Canada, Limited

NOTICE IS HEREBY GIVEN that the one hundred and twenty-fourth quarterly dividend of one and three-quarters per cent (1¾%), being at the rate of seven per cent (7%) per annum for the quarter ending May 31, 1942, on the Preferred Stock of the Company has been declared payable to Shareholders of record the 15th day of June, 1942, and that cheques will be mailed July 2, 1942.

Books not closed.

By Order of the Board.

P. W. HOLLINGWORTH, Secretary-Treasurer.

Montreal, Quebec, April 2, 1942.

Since 1857

James Richardson & Sons LIMITED

Grain Merchants Shippers and Exporters

HEAD OFFICE WINNIPEG

Branches Throughout Canada

NORRIS GRAIN COMPANY LIMITED

C. C. FIELDS, Pres. GEO. S. MATHIESON, Vice-pres. C. E. BABBITT, Sec'y.

Grain Merchants, Shippers and Exporters

709 Grain Exchange, Winnipeg

NEW YORK ST. LOUIS CHICAGO BALTIMORE KANSAS CITY LONDON TOLEDO LIVERPOOL

THE ALBERTA PACIFIC GRAIN COMPANY LIMITED

(Licensed and Bonded with the Board of Grain Commissioners)

OPERATING

464 Country Elevators

73 Flour Warehouses

227 Coal Sheds

Terminal Elevators at Vancouver and Port Arthur

(Capacity—9,661,500 Bushels)

Offices: Calgary and Winnipeg

(36)

RELIANCE GRAIN COMPANY LIMITED

Owners and Operators Country Elevators and Terminals

Exporters and Shippers

SMITH, MURPHY CO. INC.

510 PRODUCE EXCHANGE, NEW YORK

Head Office: 919 Grain Exchange, Winnipeg

Branch Offices: Toronto and Vancouver

DIVIDEND NOTICES

DIVIDEND NO. 15

Hudson Bay Mining and Smelting Co., Limited

A Dividend of One Dollar ($1.00) (Canadian) per share has been declared on the Capital Stock of this Company, payable June 29, 1942, to stockholders of record at the close of business on June 12, 1942.

H. E. DODGE, *Treasurer.*

DIVIDEND

Chartered Trust and Executor Company

NOTICE is hereby given that a dividend of 1% has been declared on the paid-up Capital Stock of Chartered Trust and Executor Company for the quarter ending June 30th, payable July 2nd, 1942, to shareholders of record at the close of business June 15th, 1942.

By Order of the Board.

E. W. McNEILL, Secretary.

Dated at Toronto, May 21st, 1942.

Supersilk Hosiery Mills Limited

Dividend Notice

Notice is hereby given that a semi-annual dividend at the rate of 5% per annum on the Preferred Shares of this Company for the half year ending June 30th, 1942, has been declared, payable July 2nd, 1942, to shareholders on record at the close of business June 12th, 1942.

By Order of the Board,

J. G. THOMPSON, Secretary-Treasurer.

London, Ontario, May 26th, 1942.

Sun Life Assurance Company of Canada

Head Office : Montreal
Stock Transfer Department

Notice is hereby given that a dividend of three dollars twenty-five cents ($3.25) per share on the capital stock of the Company has been declared for the quarter ending June 30th, 1942, and will be paid on July 1st, 1942, to shareholders of record at the close of business June 15th, 1942.

The stock transfer books of the Company will be closed from June 16th to June 30th, both dates inclusive, for the preparation of the above dividend.

By Order of the Board,

F. J. CUNNINGHAM, Secretary.

McCOLL-FRONTENAC OIL COMPANY LIMITED

PREFERRED STOCK DIVIDEND NO. 58

NOTICE IS HEREBY GIVEN that a Dividend of $1.50 per share being at the rate of 6 per cent per annum has been declared on the 6% Cumulative Preferred Stock of McColl-Frontenac Oil Company Limited for the quarter ending June 30th, 1942, payable July 15th, 1942, to shareholders of record at the close of business June 30th, 1942.

By Order of the Board.

FRED HUNT, Secretary.

May 28th, 1942.

DIVIDEND NOTICES

Amalgamated Electric Corp. Ltd.

INTERIM DIVIDEND

Notice is hereby given that an Interim Dividend of twenty-five cents per share has been declared on the outstanding shares, without nominal or par value, of the capital stock of the Company, such Dividend to be payable on July 2, 1942, to shareholders of record at the close of business on June 15, 1942.

By Order of the Board,

WILLIAM CARSWELL, Secretary.

The Toronto Mortgage Company

QUARTERLY DIVIDEND

Notice is hereby given that a dividend of $1.25 per share, upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after

1st July, 1942,

to Shareholders of record on the books of the Company at the close of business on 15th instant.

By Order of the Board,

WALTER GILLESPIE, Manager.

4th June, 1942.

BRITISH COLUMBIA POWER CORPORATION, LIMITED

DIVIDEND No. 56

NOTICE is hereby given that a dividend of Fifty cents (50c) per Share on Class "A" Shares has been declared for the three months ending June 30th, 1942, payable by cheque dated July 15th, 1942, to shareholders as of record at the close of business on June 30th, 1942; such cheques will be mailed on July 14th, 1942, by the Montreal Trust Company from Vancouver.

By Order of the Board,

J. A. BRICE, Secretary.

Vancouver, B.C. June 5th, 1942.

Stobie-Forlong Assets, Limited — Bankrupt

DIVIDEND NOTICE

Notice is hereby given that a ninth dividend of 1.005 cents on the dollar has been declared and will be paid on the 30th day of June, 1942, or so soon thereafter as it can be paid, to creditors who have duly proved and filed their claims with the undersigned and who on the 22nd day of June, 1942, appear on the records of the London & Western Trusts Company Limited as the registered owners of debentures as per proofs of claims filed.

Persons holding unregistered debentures should register same forthwith with the London & Western Trusts Company, Limited, 200 Bay Street, Toronto. All creditors who have not filed proof of their claims with me should do so at once.

FRED PAGE HIGGINS, Trustee, Stobie-Forlong Assets, Limited,
36 Toronto St., Toronto.

Dated at Toronto, 3rd June, 1942.

Old Ontario Oil Fields Awakening New Interest

With the Dominion's shortage of oil accentuated in recent weeks, interest in old fields in Ontario is rapidly reviving. Ontario has still 2,000 small wells producing in no less than 17 fields and the province is conceded a good chance of greater oil productivity.

A company known as Empire Natural Gas Ltd. announces that after a preliminary investigation, a 59-well lease has been retained for development in the Dutton field, western Ontario, a few miles southwest of St. Thomas. Development will be undertaken by National Oil Well Contractors at a contract price of $50,000.

Public financing is stated to be provided through preferred net royalties firmly underwritten by Inland Securities. Empire Natural Gas will hold a 15% gross royalty interest in the programme, it is stated.

Drilling depths are relatively shallow in Ontario. It is possible that 160 400-ft. deep wells might be completed for the $160,000 cost of a well in Turner Valley, it is pointed out. Ontario oil is high grade—brings about $2.35 a barrel—and this is stated to be another point in favor of going after oil in Canada's oldest producing oil area.

As reported last week, a possibility exists that financing will be completed shortly allowing Terrace Oils to proceed with a projected three-well programme on Manitoulin Island. It is possible that this drill test may be carried out by an underwritten issue of royalties. Due to the very low cost of drilling wells in this area, with shallow drilling depths, royalty units could be marketed at a relatively low figure, possibly $375 for a 1% net preferred royalty covering the three wells.

Oil Royalties

Producing Wells — Prices and Payments

	June daily allow. bbls.	May daily allow. bbls.	Feb. roy. pay. 1% $	Mar. roy. pay. 1% $	Apr. pay. 1% $	Paid to April 30 1% $	Dealers offering price† 1%
Ace No. 1 gross	539	522	269.38	264.90	242.98	2,437.31	$ 7,600
Alta. Oil Inc. No. 1 gr.	109	114	61.60	65.60	53.20	3,294.80	2,400
Do., 1 net	109	114	50.80	56.00	44.40	3,834.80	1,300
Do., No. 2 gr.	573	565	214.80	251.20	229.20	4,572.00	9,000
Do., No. 2 net	573	565	196.00	229.20	208.80	4,645.40	7,000
Allied No. 1 pfd.	...	100	36.71	50.17	44.63	486.89	1,700
Arrow No. 1 net	163	118	81.20	85.20	77.20	1,215.60	2,100
Do., No. 2 net	203	207	76.80	86.00	76.40	1,138.20	2,800
Atlas No. 1 net pfd.	...	130	....	....	8.80	8.80	1,700
Atlas-Br. D. No. 2 pfd.	746	750	....	....	....	......	10,900
D. & D. net pfd.	...	85	29.60	41.20	34.40	1,634.60	1,500
Drill. & Prod. No. 3 p.	...	150	....	....	....	......	3,750
Harris No. 2 gross	...	81	41.15	48.24	39.56	2,373.98	2,500
Do., No. 2 pfd. net	...	81	32.20	39.03	17.25	3,058.58	1,500
Independent No. 1 p.	...	250	114.30	152.64	150.65	1,319.88	4,400
Do., No. 1 gr.	...	250	85.29	109.66	107.84	1,466.14	4,100
Major Oil No. 1 pfd.	146	153	82.80	92.00	74.00	302.80	2,300
Do., No. 1 gr.	146	153	76.00	79.20	71.60	1,183.20	2,500
Do., No. 2 pfd.	708	744	483.20	485.20	446.80	2,641.00	8,100
Do., No. 2 gr.	708	744	358.80	367.60	334.40	2,932.40	10,600
Do., No. 2 dfd.	708	744	....	....	....	......	6,600
Do., No. 3 pfd.	850	872	648.80	638.40	549.20	3,127.60	9,500
Do., No. 3 gr.	850	872	464.00	456.00	406.00	2,962.40	....
Do., No. 3 dfd.	850	872	....	....	....	......	....
Do., No. 4 pfd.	480	536	....	185.60	384.40	570.00	7,000
Do., No. 4 gr.	480	536	483.60	341.20	276.40	1,128.00	7,400
Miracle No. 1 pfd. net	643	704	486.86	500.13	456.48	3,477.23	7,900
Do., No. 1 dfd.	643	704	....	....	....	......	7,500
Do., No. 1 gr.	643	704	336.43	347.22	316.47	3,230.19	10,500
Do., No. 2 pfd.	473	516	....	....	78.69	78.69	6,500
Royalite-Model 1 gr.	...	197	....	....	....	......	4,600
Sunset No. 1 gr.	...	103	47.15	52.23	58.41	6,769.47	1,900
Do., No. 2 gr.	...	85	36.64	43.15	39.57	3,874.58	1,900
Twin Valley No. 1 gr.	...	176	74.86	82.35	73.15	1,801.31	4,300
United Assets (deb.)	...	175	....	....	....	......	100
Vulcan Brown gr.	...	143	110.50	85.70	72.80	7,955.02	4,300
Do., net	...	143	63.00	52.16	54.43	4,779.64	3,100
Winalta No. 1 pfd.	...	105	53.20	72.80	54.40	3,187.10	1,500
York No. 1 gr.	...	92	47.43	46.69	44.84	4,645.01	2,250
Do., No. 2 gross	...	80	33.60	43.55	54.20	1,482.54	2,250

†Usually approximately 20% over dealer's bid prices.

Drilling Wells — Prices and Depths

	Drilling Depth ft.	Price Per 1%		Drilling depth ft.	Offering price per 1%
Adanac, pfd.	3,316	$*4,375	Major Oil, No. 9 gr.	8,476	8,800
Admiral, No. 1 pfd.	5,067	*4,375	Major Oil, No. 10 pfd.	6,816	*4,375
Admiral, No. 1 gross	5,067	5,000	Major Oil, No. 10 gr.	6,816	4,500
Atlas Br. Dom., No. 3 p	2,968	*4,375	Major Oil, No. 12 pfd.	8,200	*4,375
Bonaventure, pfd.	6,365	4,800	Major Oil, No. 12 gr.	8,200	5,000
Ensign, No. 1 pfd.	cellar	*4,375	Miracle, No. 3 pfd.	4,124	5,800
Hastings, No. 1 pfd.	7,315	*4,250	Northclon., No. 1 pfd.	3,126	*4,375
Lion-Davies, No. 1 pfd.	2,814	*4,300	Northclon., No. 1 gr.	3,126	6,500
Major Oil, No. 5 pfd.	6,481	*4,375	Northcross, No. 1 pfd.	2,455	*4,375
Major Oil, No. 5 gr.	6,481	4,800	Northcross, No. 1 gr.	2,455	4,800
Major Oil, No. 6 pfd.	5,630	7,200	Northend, No. 1 pfd.	7,478	5,600
Major Oil, No. 6 gr.	5,630	7,800	Northend, No. 1 gr.	7,478	6,000
Major Oil, No. 7 pfd.	7,795	7,900	Northend, No. 2 pfd.	4,432	4,500
Major Oil, No. 7 gr.	7,795	8,700	Northend, No. 2 gr.	4,432	5,400
Major Oil, No. 8 pfd.	7,001	7,900	Northend, No. 3 pfd.	7,202	5,100
Major Oil, No. 8 gr.	7,001	8,500	Northend, No. 3 gr.	7,202	6,500
Major Oil, No. 9 pfd.	8,476	7,600			

*Pegged price.

The Week In Oils

From Our Own Correspondent

CALGARY.—Moving with the speed that has characterized the Alaska highway construction project since its commencement two months ago, the United States government, working through the Northwest Co., is going all out to ensure an adequate and steady supply of petroleum for the vital defense highway, the airports along its route, and for war needs in Alaska.

As yet, there has been very little official information on the great new project. Based mostly on unofficial but apparently reliable information, the following is a brief picture of what has happened to date and what is now taking place on the Fort Norman programme and the closely associated Alaska Highway programme.

1. The United States army, going full speed ahead on the strategic highway programme, has during the past two months completed more than 150 miles of preliminary military road with tempo of activity steadily increasing. (Petroleum products for use in construction are at present coming from Turner Valley.)

2. Refinery and drilling crews arrived at Fort Norman early last week (presumably by air), to reopen the Northwest Co's. present oilwells and refinery following the winter shut-down, and to get the new development programme under way.

3. Drilling equipment and additional refining equipment is believed en route. It is reported that "several" (commonly mentioned figure is four) light portable rotary rigs are to be placed in operation. Oil is found at depths from 1,800 to 2,000 ft., enabling rapid drilling and completion of wells in the area already proven up by the Northwest Co.

4. Pipe for the long refined production pipe line is reported to have arrived at Edmonton for transshipment by rail and water to the pipeline route. The pipe is said to be 4½-inch outside diameter, weighing 10.79 lbs. to the foot, built to withstand 1,800 lbs. pressure. The pipeline route has been mentioned as the 700-mile overland route from Fort Norman to Fairbanks (over the Rocky Mountains), but the more logical route (and that which may be used) is the 400-mile route from Fort Norman up the MacKenzie and Liard Rivers to Fort Nelson, a strategic point on the Alaska highway.

5. Contract has reportedly been let for the transportation of drilling, refining and pipeline equipment northward from Edmonton, and for transportation of refined products by water from Norman to Fort Nelson, pending completion of the pipeline. Equipment will go north by rail to Waterways, and by scow or river boat from Waterways to Fort Norman. On the return trip, the scows and river boats would carry refined products in drums up the MacKenzie and Liard rivers to Fort Nelson.

* * *

Crude Output Up

The Conservation Board reported Apr., 1942 production this week. Output of crude oil and natural gasoline totalled 832,261 bbls. (average of 27,742 bbls. per day), compared with 806,865 bbls. (26,896 bbls. daily) in April, 1941. Revenue from sales totalled $1,285,067 ($42,836 daily), compared with $1,023,351 (34,112 daily) in April, 1941.

Four Months' Return:

	1942	1941	1940
Revenue	$5,288,590	$4,002,520	$2,759,445
Production (bbls.)	3,436,560	3,146,090	2,294,947
Increases:	Increase '42 ov. '41	Increase '41 ov. '40	Increase '42 ov. '40
Revenue	$1,286,070	$1,243,075	$2,529,145
Production (bbls.)	290,470	851,143	1,141,613

April, 1942, oil yield was made up as follows:

	Barrels
Turner Valley:	
Limestone zone oilwells	795,608
Limestone zone naphtha wells	2,607
Shallow zone oilwells	431
Absorption plant natural gasoline	24,337
Total Turner Valley	822,983
Other Fields:	
Red Coulee (7 wells)	844
Vermilion (10 wells)	4,995
Wainwright (6 wells)	1,319
Dina (2 wells)	800
Taber (1 well)	991
Del Bonita (1 well)	329
Tilley (1 well) — output not available pending report on BS&W in deliveries	......
Total other fields	9,278
Alberta total production	832,261

Sylvanite

Production is almost back to normal at Sylvanite Gold Mines and the pre-strike milling rate of 600 tons a day is expected to be reached shortly, President E. L. Koons and Managing Director Welles V. Moot, state in the company's annual report. When the strike was called, milling rate was reduced to 250 tons a day but by the end of the year 305 tons a day was being treated and the milling rate has since been worked up to 500 tons daily.

Sinking of the new internal shaft has been resumed and a depth of 4,000 ft. has now been reached. The machine shop is being used for war work. During 1941, new ore developed was only slightly less than ore removed and milled and since the year end new ore has been developed at a faster rate than in 1941.

Numerous properties were examined in 1941. An option is held on the Payore property and a limited amount of further testing is planned. Development at depth has shown an average grade of ore at the Tyranite subsidiary which had a $20,262 loss last year. Debt was reduced by $100,000 to $471,470 last year out of operating profits.

Income and Surplus Account

	Year ended Dec. 31 1941 $	9 Mos. ended Dec. 31 1940 $
Bullion production	2,589,635	2,006,973
Less: Marketing	23,506	21,720
Operat. expenses	1,166,623	839,151
Admin. expense	69,366	51,696
Net oper. earns.	1,330,140	1,094,406
Add: Interest, etc.	5,856	3,402
Delnite divds.	118,195	118,195
Total net earnings	1,454,191	1,216,003
Less: Depreciation	95,659	68,014
Reserve for taxes	350,678	275,870
Net profit	1,007,854	872,119
Less: Dividends	923,860	659,900
Taxes thereon & exch.	......	72,317
Surplus for period	83,994	139,902
Add: Prev. surplus	1,347,090	1,251,473
Profit on bonds	......	125
Sale of equip.	......	18,399
Less: Outside explor.	21,031	29,248
Additional taxes	......	33,561
Loss on bonds	375	......
Balance forward	1,409,678	1,347,090
Earnings per Share and Dividend Record:		
Earned	$0.31	$0.26
Paid	0.28	0.20
Working capital	483,711	286,816

First Well Hits Madison Lime in Saskatchewan

Norcanols-Radville No. 1 well, important deep test in southern Saskatchewan, has topped the Madison limestone—the productive formation in Turner Valley—at a depth of 4,979 ft. Early this week drilling was continuing at 5,099 ft. at a depth of 120 ft. in the limestone. Potentially productive horizons are looked for in both the Madison and in the underlying Devonian limestone.

The Norcanols-Radville No. 1 test is being drilled by the Imperial Oil interests and their associates. Selection of the site for the first deep Saskatchewan test was made after extensive survey covering a considerable section of Saskatchewan. The test is of great current interest as one of the few wells which have been successful in reaching the potentially productive Madison limestone outside of Turner Valley.

Mining INVESTMENTS

Gold production is essential if Canada is to avoid becoming obligated to the United States under lease-lend, Finance Minister J. L. Ilsley told the House of Commons this week in answer to a question of Victor Quelch, a Social Credit M.P. Mr. Quelch proposed that gold mines be closed to release miners for other war work, but Mr. Ilsley stated that gold is of too much financial assistance to this country to consider suspending its production.

"We ought to be in a position to pay for what we get," said the minister. "That makes for a smooth delivery of goods and materials in Canada and gold is just what we need for the purpose." Canada could get lease-lend aid if required but it is not desired to saddle this country with an external debt that might be burdensome at a later date.

* * *

A prospecting rush into the Romaine River Valley area, Quebec, is stated to be in prospect with several parties at Havre-St. Pierre, en route. Quebec Airways, serving the area, is reported to have three planes in use with two further planes expected shortly to help handle the new flow of business.

The Romaine area was recently opened to prospecting and several of the larger companies are reported interested in its prospects. Interest has been stimulated by stories of important copper showings along the Romaine River just 60 miles from the St. Lawrence.

Last year the area was geologized under Dr. J. A. Retty who states that important showings of chalcopyrite (an ore of copper) were found in six localities. One of these, at the outlet of Alphonse Lake, ran 4.21% copper with small additional silver values. At the outlet of Bassin des Murailles, a zone 200 ft. long showed copper.

* * *

Manitoba's Mines Department had gross revenue of over a million dollars for the year which closed April 30. This was the first time revenue had exceeded the million dollar mark since the administration of mines and natural resources was taken over by the province some 12 years ago.

Actual cash receipts for the 12 months' period were $1,133,850. Surplus, after all expenses, is expected to be in the neighborhood of $400,000 when final figures are available. Estimated expenditures amounted to $728,557.

Besides revenue from mining operations, the forestry branch was a big revenue producer. Income from this source amounted to $311,375.

* * *

The Gale gold mine, located close to Val d'Or, Quebec, and owned by the Quebec government will soon be carrying on treatment of tungsten ores. The necessary plant additions to allow this are now being made.

The tungsten operation at the Gale mine is being carried on in co-operation with the Metals Controller and the Dominion Department of Mines. A number of companies in the Siscoe-Lamaque area, including Siscoe, Sullivan and Perron, have scheelite, the ore of tungsten, in their veins, and will likely contribute to the Gale operation.

Company Reports

Delnite Mines

Earnings of $143,785 or 4.8 cents a share were realized by Delnite Mines in 1941 compared with 2.7 cents the preceding nine months, financial statement included with the Sylvanite annual report shows.

After paying $178,726 in dividends, working capital was increased by over $100,000 to $253,290.

Bullion production was at a substantially higher rate in 1941 than in the first nine months of 1940.

Income and Surplus Account

	Year ended Dec. 31 1941 $	9 Mos. ended Dec. 31 1940 $
Bullion production	1,183,053	685,391
Less: Marketing	10,745	7,588
	1,172,308	657,803
Less: Oper. expenses	784,742	430,168
Admin. exps.	......	17,588
Oper. profit	387,566	210,047
Add: Income from inv.	782	452
Less: Depreciation	67,340	49,094
Reserve for taxes	62,359	21,988
Deferred develop.	83,298	49,671
Shaft sinking w/o	31,566	10,174
Net profit	143,785	79,572
Less: Dividends	178,726	89,363
Deficit for period	34,941	9,791
Prev. surplus	190,058	203,887
Less: Taxes, pr. period	......	4,038
Surplus forward	155,116	190,058
Earnings per Share and Dividend Record:		
Earned	$0.048	$0.027
Paid	0.06	0.03
No. of Shs. Outstand.	2,978,767	2,978,767
Working Capital	$	$
Current assets	380,873	211,596
Current liabilities	127,583	74,811
Working capital	253,290	136,785

Pioneer Seeks Base Metals

Work Looked on as Patriotic Task With Profit Chance Small

From Our Own Correspondent

VANCOUVER.—Managing Director Howard James told shareholders of Pioneer Gold Mines at the annual meeting here that there was small hope of developing new base metal properties at a substantial profit.

"We are still looking for properties, but whatever we do in that regard will be more in the form of a contribution to the country's war effort than in the hope of enhancing our treasury position," said Mr. James, who pointed out that many prospects examined during the past year had been written off, and that the only properties now being considered were still of uncertain value.

When a shareholder pointed out that the report indicated only two and a half years' ore ahead, President Victor Spencer declared that the company had always followed a conservative policy regarding ore reserves.

"Pioneer is a long way from seeing the handwriting on the wall," said Col. Spencer. "We have never conscientiously tried to paint a rosy picture."

Directors have voluntarily cut in half their $1,000 annual fee, Col. Spencer announced, and Pioneer is to be delisted on the New York curb to save transfer office fees.

Inquiries invited regarding Canadian Industrial and Mining Investments. We specialize in the Dividend Paying Gold Mines and in new gold mining properties under present active and encouraging development.

A. E. OSLER & COMPANY

Established 1886 Members The Toronto Stock Exchange
Osler Bldg., 11 Jordan St. Phone ADelaide 2431

OIL ROYALTIES

Enquiries invited

McDERMID, MILLER & McDERMID, LIMITED

Government, Municipal, Corporation Bonds

525 Seymour Street, Vancouver, B.C.

Kootenay Belle Deal Pending

From Our Own Correspondent

VANCOUVER.—Whether Kootenay Belle Gold Mines is to continue as an operating company or go into voluntary liquidation, involving a capital distribution, was the issue placed before shareholders at a special meeting here last week.

Considerable division of opinion was evidenced, but a majority favored adherence to a statement of policy submitted by the directors through Vice-president J. L. Trumbull to the effect that negotiations would continue for the acquisition of a base metal property.

Shareholders pointed out that the company has operated at a loss of $70,000 during the past two years, but directors explained that this was due to the costly development programme carried out. There has been no new development this year and since February the mine has netted $35,000, with the expectation that by the time available ore is milled an additional $30,000 will be added.

Investment Notes

Canadian Foreign Investment Corp. annual meeting was told that the subsidiary Brazilian Portland Cement Co. is operating at practically full capacity. Sinkings on the Atlantic coast have caused some trouble as far as oil supplies are concerned but the company has ample supplies for the present, amounting to approximately 1½ month's needs. Some reduction in operations may be necessary within the next two months to perhaps 60 or 70% of capacity. Difficulties in delivering material have been encountered.

* * *

Inter-States Royalty Corp. investments in oil royalties had a book value of $1,138,944 as at Mar. 31, 1942. Gross revenue from royalty income since acquisition amounted to $507,351 up to Feb. 28, 1942 and the reserve for depletion totalled $138,786 as at the same date. In February the company had a gross income from royalty and rentals of $2,342 while the accumulated income from the same sources for the year 1942 amounted to $9,565.

* * *

Consolidated Paper Corp. during May issued in payment of interest 101 shares of the capital stock making the present outstanding shares 2,560,846.

* * *

Dominion Coal Co. production in May totalled 394,069 tons as compared with 351,569 tons a year ago, an increase of 12.1%. April output at 437,297 tons was 17.6% ahead of the figure for the same month of 1941. Production in the first five months of the current year totalled 2,071,091 tons, an increase of 4.6% over the 1,980,748 tons produced in the same period of last year.

* * *

King Edward Hotel, Toronto, reports continued improvement in operating results. Each of the past two years has been better than the preceding period and a further increase in earnings for 1942 has been noted to date. After adjustments, but before depreciation, there was an operating profit in 1941, compared with losses for the three preceding years.

* * *

Canadian Car & Foundry is to sell about 165 acres of land adjoining its Amherst, N.S., plant to permit expansion of the aerodrome at that centre, according to Munitions and Supply Minister Howe. Total expenditure on the new aerodrome is to be about $220,000 but the announcement does not state how much of this will be required to purchase the land from Canadian Car.

* * *

United Gas & Fuel Co. is to manage a new $2 million gas plant to be erected by government financing in Hamilton, it is stated. Eight acres of land between the Hamilton By-Products Coke Ovens plant and that of Procter & Gamble Co. of Canada is to be expropriated and contracts for construction let soon. It is suggested the new plant will be in operation by the year end and will relieve threatened gas shortage in the Hamilton area.

Collateral borrowings of member firms of Montreal Stock Exchange and Montreal Curb Market as at May 30, 1942, totalled $5,716,085, as compared with $6,368,687 at the previous month end. The current figure is the lowest since Sept., 1941, but is $473,455 higher than the May 4, 1941, figure of $5,242,630.

* * *

Clarendon Apartments—A payment on account of interest will be made June 15 on the 7% first mortgage 20-year sinking fund bonds. It will be on the basis of $12.50 per $1,000 and will be applied to the balance of coupon 15, due June 15, 1934. It will be accomplished by redemption of the warrant issued at the time of the last payment made on this coupon.

* * *

Canadian Celanese directors have declared an extra dividend of 25 cents a share on the common, payable, along with the regular dividend of the same amount, on June 30, 1942, to shareholders of record June 15; $1.75 a share is being paid on the participating preferred at the same time. The company pays varying extras on its common, with the last previous payment being 25 cents on March 31 last.

* * *

B. F. Goodrich Rubber Co. of Canada will soon be completely out of debt, it would appear from progress being made in redeeming the two bond issues the company inherited from old Ames Holden Tire & Rubber Co. and the Canadian Goodrich Co., as it was formerly called.

The 7% first mortgage bond issue, due Jan. 1, 1943, had been reduced to $27,500 at Dec. 31 last and completion of sinking fund operations on May 1 this year would further reduce this to $3,600. In 1940 the company had $1,048,600 in 7% cumulative income second mortgage bonds of the old Ames Holden Co. In Dec., 1940, something over $999,000 of this issue was redeemed and since then the company has made further redemptions until the end of May saw only $37,673 remaining. In March this year the company paid the regular 3½% semi-annual interest on this income bond issue and, in addition, paid 62¼% on arrears of interest, eliminating all accumulations.

This will leave, with the exception of the small remainder of the two bond issues, only the common stock of which 85,885 shares are outstanding at latest available date. Most of this is held by the parent company, B. F. Goodrich Co., Akron.

* * *

Photo Engravers & Electrotypers shareholders at the recent annual meeting elected W. T. Northgrave, Jr., a director, replacing F. Erichsen Brown who retired.

* * *

Sutton-Horsley Co. has declared an initial interim dividend of five cents a share payable June 20 to shareholders of record May 30. Annual report for the year ended Dec. 31, 1941, is expected to show this payment comfortably covered.

* * *

Fleet Aircraft shareholders, at the recent adjourned annual meeting, elected a new president, vice-president and three new directors. Present officers and directors are:

E. G. McMILLAN, K.C., Toronto, president, formerly vice-president and director.

E. C. SMITH, Montreal, executive vice-president and director.

A. J. NESBITT, R. L. WELDON, M. A. THOMSON, Montreal, directors.

W. N. DEISHER, general manager, formerly director.

A. S. TAIT, St. Catharines, director.

H. H. HORSFALL, H. E. LANGFORD, D. H. McDOUGALL, Toronto, directors.

* * *

Hamilton Cotton Co. has declared an initial dividend of 10 cents a share on the common stock along with the regular quarterly dividend of 50 cents on the preferred. Both dividends are payable July 2 to shareholders of record June 15.

Earnings on the company's common stock, of which there are 20,000 shares outstanding, were $4.96 a share in 1941 and $5.05 in 1940.

* * *

West Canadian Hydro Electric Corp. shareholders passed unanimously the proposals for winding up the holding company, Pacific Western Investment, and acquisition by West Canadian of Pacific Power & Water at meetings held May 20. Shareholders of Pacific Western and Pacific Power also passed all resolutions unanimously. It is expected plans will be confirmed by the B.C. Supreme Court and the Public Utilities Commission within a few days. Following that shareholders will be notified to forward their securities to William Fitch, liquidator, Pacific Western Investment, Vancouver, or Pemberton & Son Vancouver Ltd.

* * *

Canada Packers Ltd. has received contracts from the government from Sept. 30, 1939, to March 31, 1941, totalling $13.3 millions.

* * *

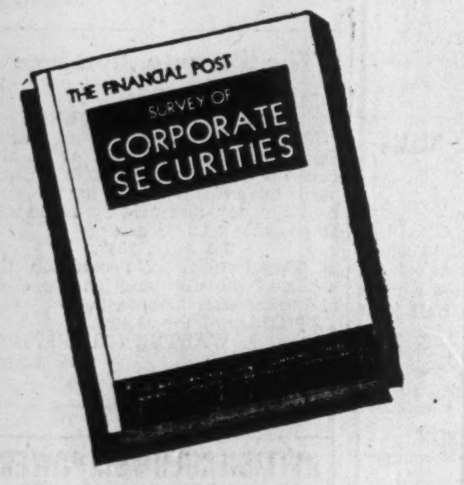
Hudson's Bay Co., due to the isolated positions of its retail trading posts across the northern part of Canada, must supply these posts from one year to 18 months in advance. For this reason their maximum retail selling prices during the basic period selected for Canada's price control did not reflect increased replacement costs up to and including the basic period. E. G. Burton, administrator of retail trade, has, therefore, ordered that new maximum prices for these remote posts be established reflecting replacement costs at market price in effect during the water navigation season to the North West Territories in the spring and summer of 1942.

* * *

C. W. Lindsay & Co. announce appointment of L. N. Buzzell, C.A., of Montreal and George E. Fritz, of New York, to the board of directors of C. W. Lindsay & Co., replacing B. A. Edwards, the company's secretary and W. A. H. Robinson, treasurer. At the annual meeting it was announced J. A. Hebert had asked to be relieved of the presidency as of June 1, but he will remain a member of the board of directors. No successor to Mr. Hebert has been appointed.

Check Your Investments With This Timely Book

THE NEW EDITION OF THE SURVEY OF CORPORATE SECURITIES



DATA ON 1500 CORPORATIONS

Banks
Beverages
Construction
Foodstuffs
Iron and Steel
Merchandising
Milling
Oil Refining
Public Utilities
Pulp and Paper
Rubber
Textiles
Transportation
Trust and Loan
Investment Trusts and Miscellaneous Securities

1942 EDITION
220 Pages 12" x 9"
$2.00 Postpaid

IT PAYS TO KNOW:

- The Nature of a Company's Business and Its Properties
- The Personnel Behind It — Who Direct It and Manage It
- What Is the Company's Capital Structure
- What Is Its Funded Debt
- Funds in Which Interest is Payable
- Its Earnings History and Dividend Rate
  This book gives Companies' balance sheets, also income and surplus account for three years.
- The Price Range of the Company's Stock
  Records up to eight years in this book.

Ready June 22—Order Now!

THE FINANCIAL POST,
481 University Ave., Toronto, Ont. Date..........

Herewith is $.......... Please send me postpaid .... Copies of THE SURVEY OF CORPORATE SECURITIES at $2 each.

Name ....

Address 251

The Geologists' Paradise

The Province of Nova Scotia is the geologists' paradise because all ages of rocks from Mesozoic down to Precambrian are predominately displayed within a relatively small area.

Fossil ferns and stems found in the coal measures are the palaeobotanists' delight.

Pitching anticlines, synclines and anticlinal domes are prominently displayed in the Precambrian sediments.

The rock exposures around Minas Basin are the museum curators' favorite hunting ground for zeolites.

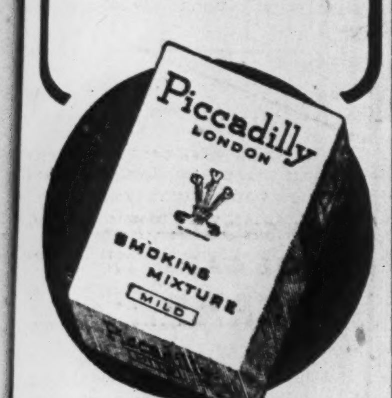
Shortage of gasoline and tires may curtail your proposed motor trip — but come just the same — the province is well served by the two largest railway systems on the North American continent, and interconnecting bus lines.

The Department of Mines
Halifax, Nova Scotia

L. D. CURRIE, *Minister*
A. E. CAMERON, *Deputy Minister*

"... and there will always be a London"

London clubmen are acknowledged as the world's most exacting pipe-smokers. To satisfy their sophisticated tastes, high-class London tobacconists developed their world-famous mixtures which combine the finest qualities of all pipe tobaccos. "Piccadilly", made in Canada, inherits this tradition of perfection.



Piccadilly
LONDON
SMOKING MIXTURE
MILD

War Puts Silver Into Harness

Export Control Possible as Supply Situation Now Difficult

By GORDON M. GRANT

One of the few metals that can fill the gap caused by loss of tin, silver is finding new uses with amazing rapidity and its total use is soaring spectacularly. Already consumption threatens to overtake and pass available supplies.

So badly needed are silver supplies that it is understood silver may join other metals over which export control is being exercised. In the United States, the situation is perhaps more stringent on silver than in Canada but reserves of silver on hand with the U. S. treasury are still large.

More Expensive, But Cheaper!

Costing nearly 40 cents an ounce, silver is much more expensive than most of the ordinary non-ferrous metals. But it is nevertheless often competitive with other metals and, in some cases, it can even be used more cheaply.

Before the war, most of the tooth paste, shaving cream, etc., came in tin tubes. These products still come in tubes but now an alloy of 2½% silver and 97½% lead is being used. For practical purposes, there is little noticeable difference between the new tube and the old but the silver-lead alloy tube is actually cheaper to make than the tin one.

Silver for silver-brazing of joints may seem an expensive proposition. Tin used to cost only the same number of cents a pound that silver does an ounce. But, actually, silver solder may cost little more than others when the total expense of its use is considered. When silver-brazing is not used, it may be necessary to build up a shoulder of metal in soldering some items and altogether ten times as much metal may be required as in silver-brazing. Silver-brazing gives "speed production," can be carried out on the mass production principle, and important economies often make up for any extra metal cost.

Silver-Brazing Stands Up

Silver-brazing is done at about 1,100 to 1,300 degrees Fahrenheit. It comes in between "soft solders" and high temperature work and, in certain ways, it has shown definite advantages for war work. Silver brazing will often stand up under conditions of vibration and heat where other joints fail. This is important in military work where stresses are often very great.

High temperature joints may actually be stronger than silver-brazed joints but with the use of high temperatures, it is possible that the surrounding metal may be weakened and the silver joint may still be more desirable. Silver alloys are particularly suitable for joining dissimilar metals.

40% of Items Use Silver

A survey made last March showed that approximately 40% of the major items rolling off Canada's production lines are silver-brazed or silver-soldered. A silver working firm which didn't consider itself a war industry before the war finds that 55-60% of its output is now war production material.

Much of the balance of its production represents indirect demands arising out of the war. When the balance of tin-lead alloys on hand is exhausted, it is expected that the demand for silver solders will become still greater.

Here is silver-brazing mass production work. With extremely simple equipment, a few girls braze or solder 1,500 pieces of airplane equipment an hour in a Toronto plant. As each piece has five joints, a total of 7,500 joints are sealed an hour with a minimum of effort.

The parts, complete with silver-brazing inserts and fluxes, are first placed on moving holders. These holders carry them over a series of gas flames and the brazing operation is then completed. The soldered parts are then ejected and immersed first in acid, second in hot water and third in cold water. Following this, the parts are ready for shipment to an aircraft assembly plant.

Universal gun carriers being manufactured by Ford Motor Co. of Canada at Windsor, Ont., were originally designed with the fittings to be soft soldered. The two test units made up were taken out to the proving ground. Under the vibration of the vehicle, and the heat of hot motor oil, they proved unsuitable due to leaking and slipping out of the fittings. The fittings were then ordered silver-brazed and are stated to have stood up under every test. Many of the tank fittings in Valentine and Mark III tanks are now silver brazed.

"Lease-Lend" Silver Plan

War uses of silver are too numerous to mention. Torpedoes have been silver-brazed for at least eight years. Silver alloys are used to give better joints aboard ships; shell detonators have a small quantity of silver.

Perhaps the most widely-publicized use of silver is the United States "lease-lend silver programme" under which 40,000 tons of silver from Fort Knox are to be lent to firms for use in the aluminum and magnesium plants being built for the U. S. government.

The silver is to be rolled by copper mills into "bus bars" and will be used in silver-brazed power assemblies. With high voltage going through them, no one is likely to steal these very valuable bars. After the war they will be melted down and returned to the U. S. Treasury.

Big Supplies on Hand

The United States, now really short of copper, is expected to make still further silver available for bus bars beyond the original 40,000-ton allocation. Here is the United States treasury position on silver as estimated by American Metal Market at the end of last month:

47,000	tons unallocated
40,000	tons backing for silver certificates
13,000	tons coining in stock
14,000	tons coining in circulation
114,000	tons total holdings

Possibly a considerable amount, if not all, of this silver may find its way into the industrial field before the war is over.

On the basis of current consumption and current production, demand in North America may by now be running close if not ahead of production. Even before Pearl Harbor, consumption had stepped up tremendously. It is estimated that in 1941 the United States and Canada used 80 million ounces of pure silver industrially, against 41 million ounces in 1940, an increase of 95%. With supplies of tin cut off since Pearl Harbor, the use of silver has become more widespread while expanding American production undoubtedly means a much higher rate of consumption than in 1941.

Canada Third Largest

Production of silver runs about 175 million ounces a year in North America with an additional 35 million ounces coming from South and Central America, Canada, with an output of 20-25 million ounces a year, ranks as the third largest producer in the world and is thus in a fair position to take care of her own requirements. The United States turns out 65 million ounces a year and can call on the 80-million-ounce Mexican output to help meet requirements. In spite of the considerable production available, supplies are not enough for all requirements in the United States, it appears. One American manufacturer is reported to have been refused a million ounces of silver to make a "trial run" of a certain peacetime product he manufactured.

U. S. the Big User

The "silver lining" in the metal picture provided by silver started to appear about two years ago in the United States; relatively later in Canada. Silver use in the United States is still much more extensive than in Canada. That the United States uses at least fifty times as much silver as Canada is believed to be a conservative estimate. A large quantity of silver goes into electrical contact material there. One large unit order for airplane bearings in the United States is said to have required millions of ounces of silver.

In Canada—as in most countries—silver production comes chiefly as a by-product of either base metal or gold mining. Consolidated Smelters, the great Trail base metal producer, is the largest silver producer in Canada and turns out practically half of Canada's total. The balance of our silver output comes about half from base metal mines, half from gold mines.

Might Turn Out More

If greater silver production is asked for—and this possibility cannot be ruled out—base metal producers and gold mines might step up silver by-product output. At one time, Canada had a world-famous silver camp at Cobalt but most of the mines there were worked out and a much higher price for silver would probably be necessary before operators would be encouraged to resume production. Castle-Trethewey, in that section, is understood to have some silver ore reserves remaining that might be mined if the price of silver were higher.

It is doubtful whether Nipissing and Mining Corporation could turn out much silver due to depletion of old ore bodies but it is possible that the combination of the recently-increased price for cobalt with a future increase in the Canadian price for silver might bring a combing over of old workings.

Eldorado Showed Possibilities

Up in the Bear Lake area Eldorado Gold Mines reported sensationally rich silver ore when the finds were first made in 1930. The price of silver has been relatively low ever since, and the company has concentrated on mining pitchblende for recovery of radium and uranium. If the price of silver were raised appreciably, a spokesman for the company thinks that "lots of silver" could be turned out.

TORONTO MANAGER

Nordberg Manufacturing Co. announce the appointment of Albert E. Owen as branch manager of the Toronto office. A native of Belleville, Ont., Mr. Owen has recently been midwest representative of the Nordberg firm, with headquarters at Cleveland, Ohio.

Mining Concentrates

B. C. Department of Mines has placed its facilities at the disposal of prospectors for the assaying, without charge, of samples of strategic minerals.

* * *

Consolidated Smelters received a total of 1,917 tons of ore and concentrates from outside properties in May. Biggest shipper was the Union mine at Grand Forks with a total of 414 tons. Highland-Bell, at Beaverdell, B.C., was next with 396 tons while 220 tons came from the Dentonia mine at Greenwood.

* * *

Calumet Mines is expected to be in production by the end of the year. Plans call for an initial milling rate of 300 tons daily to be increased to 500 tons later. A profit of $4 a ton before write-offs and taxes is anticipated. Prior to the carrying out of underground work, it was estimated that over a million tons of ore had been indicated by diamond drilling.

* * *

Columbiere Mines completed an agreement with Chas. Hedwall, Jr., on April 25 under which an option was granted on 1,999,995 shares as follows: 550,000 shares at 5 cents a share to Jan. 1, 1943, 100,000 shares at 10 cents a share payable by February, 1943, and the balance in 100,000 share lots at 15 to 80 cents a share. Authorized capital is 3 million shares of which a million were issued to vendors and escrowed. Shares can be sold through any qualified broker.

* * *

Dominion Magnesium's plant near Renfrew is expected to begin operation some time in July, Walter Segsworth, President of Moneta Porcupine Mines, informed shareholders of that company at its annual meeting. The position of magnesium in the postwar world appears bright, Mr. Segsworth said.

Dome Mines production was lower in May:

1942:	Tons milled	Tons daily	Recov. per ton	Total recov.
May	46,800	1,510	$11.24	$525,977
April	45,200	1,507	11.99	541.868

* * *

Delnite Mines will hold its annual meeting at the property on June 24.

* * *

Golden Manitou Mines should have its new mill in operation on July 15, Harry W. Knight, the company's new president, reports. All equipment is now installed except the ball mill and temporary equipment is planned to reach production, W. B. Milner is now vice-president and new directors are R. W. Brigstocke, Toronto, and W. R. Askwith, Ottawa.

* * *

Goldorel Mining Co. shares were qualified for sale by the Ontario Securities Commission on May 15, 1942. An option has been granted to M. F. Burrows on 5,000 shares at $5 a share of which 40 shares at $5 were to be purchased at the time of qualifications, 500 shares to be paid for within three months of the permission, 500 shares to be taken up monthly thereafter for eight months with the balance of 460 shares to be taken up within 12 months. The company has an authorized capital of which 8,000 shares have been issued; none are in escrow.

* * *

Moneta Porcupine Mines still has sufficient ore for a year's milling operations, President Walter E. Segsworth informed shareholders at the company's annual meeting last week. W. C. Martin, an independent geologist, has recommended 10,000 ft. more diamond drilling to be carried out in a search for further ore bodies. Some deep drilling and further exploration along the strike of the ore zone has been recommended and will be carried out. Directors have not given consideration to the question of dividend policy after the mine is shut down, Mr. Segsworth stated.

* * *

Raven River Mines will commence distribution of assets on June 18, 1942, it is stated. Chief holding is a block of Laguerre Gold Mines shares.

* * *

Sylvanite Gold Mines will hold its annual meeting in Kirkland Lake on June 25.

* * *

Siscoe Gold Mines started work on its new Tetreault property near Notre Dame des Anges last week. It is a former lead-zinc producer in Port Neuf twp., approximately 35 miles east of Shawinigan Falls. A contract for the output is stated to have been received from a government agency running for the next two years.

* * *

Sigma Mines (Quebec) showed an increase in production in May:

1942:	Tons milled	Tons daily	Recov. per ton	Total recov.
May	34,765	1,121	$7.55	$262,478
April	32,966	1,099	7.35	248,958

* * *

Treadwell Yukon Corp. has placed itself in liquidation following approval of 77% of shareholders to this step. An initial distribution in liquidation of 5 cents a share is being made on June 15, 1942, to shareholders of record June 5. Shareholders are being advised to forward their certificates immediately to receive their initial distribution and to avoid unnecessary delay in the winding up of the company.

* * *

Vanalta Ltd. had a net profit of $3,747 in 1941 compared with $2,164 in 1940. Balance sheet as at Dec. 31, 1941, showed $31,284 of current assets as against current liabilities of $2,803, leaving working capital of $28,481. A total of $19,250 has so far been received on a $20,000 investment in Deep Oils Ltd.

The Indian Path Tungsten property operated by Guysborough, appears likely to become an important producer of tungsten. Located in Nova Scotia, a 300-ton mill is scheduled to begin operation this fall.

Ontario Nickel Corp. has received payment for an additional 175,000 shares under its agreement with George H. Johnson dated April 1, 1941, as amended. Balance of the agreement comprises an option on 1.7 million shares.

To The Travelling Public:

HOTEL LONDON
London, Ontario
Rates for Rooms as Follows:—
Single room without bath, $2.75; running water and toilet.
Single room with shower, $3.00.
Single room with bath, $3.50.
Single room with tub and shower combination, $4.00.
Double room without bath, $4.00; running water and toilet.
Double room with bath, $5.00.
Double room with tub and shower combination, $5.50.
Twin bedrooms, with tub and shower combination, $6.00.
Soliciting your appreciated patronage.
H. F. STRUCKETT, Manager

40 years of helpful service

CANADA TRUST COMPANY
Executor and Trustee
London, Hamilton, St. Thomas, Winnipeg, Edmonton, Toronto, Windsor, Chatham, Regina, Vancouver, Victoria

PHOTOSTAT PRINTS
Enlarged from 16. or 35. MM. MICRO-FILM
COMMERCIAL PHOTOPRINTS LTD.
24 Adelaide St. W., AD. 3441

Envelopes for every purpose
Barber-Ellis of Canada, Limited
TORONTO - BRANTFORD

BRITISH AEROPLANE ENGINES LIMITED
Exclusive Agents in Canada for Bristol Aeroplane Engines
ASSEMBLING OVERHAULS
GENERAL SERVICE
at 6259 Notre Dame St. East
HEAD OFFICE 248 McCord St. MONTREAL

PROFESSIONAL DIRECTORY

LEGAL

Pitblado, Hoskin, Grundy, Bennest & Drummond-Hay
Pitblado, Hoskin, McEwen & Alsaker
Barristers, Solicitors, &c.
Winnipeg, Manitoba

PATENT ATTORNEYS

RIDOUT & MAYBEE
PATENTS - TRADEMARKS
80 Richmond Street West
Toronto - Phone Ad. 0119

CONSULTING ENGINEERS

Shoemaker & Burnham
CONSULTING ENGINEERS
Specializing in Mill Design, Metallurgy, Power and Mining Plants.
Room 1201-1207
45 Richmond St. West, Toronto, Ont.
Waverley 4468

CHARTERED ACCOUNTANTS

RUTHERFORD WILLIAMSON & CO.
Chartered Accountants
Rutherford Williamson, F.C.A. Harold A. Shlach, F.C.A.
D. J. Sales, C.A. W. F. Gibson, C.A.
TORONTO—MONTREAL
Licensed Trustees and Receivers
Rutherford Williamson, F.C.A. F. R. McCutcheon, C.A.

CLARKSON, GORDON, DILWORTH & NASH
CHARTERED ACCOUNTANTS
15 Wellington Street West, Toronto
Toronto—Montreal—Hamilton—Winnipeg—Vancouver
E. R. C. CLARKSON & SONS
Licensed Trustees and Receivers
15 Wellington Street West, Toronto

McDonald, Currie & Co.
Chartered Accountants, Licensed Trustees & Receivers
MONTREAL TORONTO QUEBEC OTTAWA

WILTON C. EDDIS & SONS
Established 1895
CHARTERED ACCOUNTANTS
Federal Building, Toronto

THORNE, MULHOLLAND, HOWSON & McPHERSON
CHARTERED ACCOUNTANTS
E. J. HOWSON, R. S. McPHERSON, Licensed Trustees
FEDERAL BUILDING TORONTO
GALT KITCHENER

Ronald, Griggs & Co.
Chartered Accountants
WINNIPEG SASKATOON

ARTHUR S. FITZGERALD AND COMPANY
Chartered Accountants
WINDSOR, ONTARIO

Black, Hanson & Co.
Chartered Accountants
Winnipeg, Fort William and Port Arthur

DEPENDABILITY
Its ability to get the news and interpret it accurately is what leads wise investors in Canadian securities to rely each week on THE FINANCIAL POST
$5 One Year — $2.50 Half Year

Position of Chartered Banks of Canada as of April 30, 1942, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation $	Deposits by and Bal. Due to Dominion Government $	Deposits by and Bal. Due to Provincial Government $	Advances from Bank of Canada $	Demand Deposits in Canada $	Savings Deposits in Canada $	Deposits Elsewhere▲ $	Bal. due to other Banks in Canada $	Due to Banks in U.K. $	Due to Banks Elsewhere $
Montreal	17,082,410	141,844,143	10,486,126	...	327,563,929	385,847,922	93,432,946	2,516,450	8,578,634	9,837,013
Nova Scotia	6,045,750	34,809,832	1,625,586	...	74,862,800	141,168,783	53,454,053	3,807,265	796,972	1,447,813
Toronto	2,608,239	22,922,337	2,002,467	...	63,138,359	82,418,027	971,276	137,515	723,012	549,944
Provinciale	1,890,120	3,286,887	763,310	...	13,360,169	39,451,871	8,861	...	...	41,507
Commerce	14,286,993	73,044,579	17,399,532	...	235,742,647	303,048,481	70,992,650	2,418,790	4,043,580	6,502,553
Royal	21,471,697	86,716,602	9,797,226	...	352,218,294	320,886,868	251,891,618	14,820	2,784,278	11,164,970
Dominion	3,139,164	21,618,047	950,440	...	54,095,221	73,733,267	8,283,880	4,009,567	686,199	484,411
Nationale	3,184,732	10,132,098	1,993,820	...	44,265,424	98,439,262	445,134	2,017,121	206,043	721,622
Imperial	3,445,110	32,741,388	17,905,799	...	61,443,164	86,652,354	3,039,758	1,480,666	905,194	807,854
Barclays (Canada)	641,260	2,765,818	24,166	...	5,555,931	5,497,889	3,753,129	1,093,440	2,956,600	954,373
Total	73,795,475	429,881,731	62,948,472	...	1,232,245,938	1,537,144,724	486,303,305	17,495,634	21,680,512	32,482,000

NAME OF BANK	Bills Payable $	Letters of Credit outstanding $	Other Liabilities $	Dividends Declared and unpaid $	Reserve Fund $	Capital Paid Up $	Total Liabilities $	Capital Authorised $ (Supplementary Information)	Capital Subscribed $	Last Dividend %	*Loans to Directors and firms of which they are Partners $	Average Notes and Deposits with Bank of Can. $	Greatest Amount of Notes in Circ. $
Montreal	...	18,574,587	2,388,945	738,196	39,000,000	36,000,000	1,093,891,306	50,000,000	36,000,000	8	402,765	88,003,620	17,319,655
Nova Scotia	...	28,359,429	250,743	13,634	24,000,000	12,000,000	382,642,665	15,000,000	12,000,000	12	3,063,901	28,050,000	6,106,965
Toronto	...	3,353,870	...	150,841	10,000,000	6,000,000	194,975,892	10,000,000	6,000,000	10	614,460	16,673,488	2,770,704
Provinciale	...	115,160	9,581	3,646	1,000,000	4,000,000	63,931,116	5,000,000	4,000,000	6	156,026	7,525,961	1,971,040
Commerce	...	28,171,583	...	622,574	20,000,000	30,000,000	806,273,968	50,000,000	30,000,000	8	1,005,768	56,825,520	14,485,191
Royal	28,019	34,293,720	674,162	755,829	20,000,000	35,000,000	1,147,698,107	50,000,000	35,000,000	8	1,243,909	81,277,080	21,471,697
Dominion	...	5,430,034	717,048	176,006	7,000,000	7,000,000	187,293,289	10,000,000	7,000,000	10	527,191	19,309,217	3,245,219
Nationale	...	470,832	41,566	147,500	5,000,000	7,000,000	174,065,159	10,000,000	7,000,000	8	172,006	13,124,219	3,366,922
Imperial	...	4,965,068	...	177,513	8,000,000	7,000,000	228,563,923	10,000,000	7,000,000	10	514,310	17,861,399	3,470,245
Barclays (Canada)	...	749,728	11,358	...	750,000	1,500,000	26,283,698	1,500,000	1,500,000	...	10,462	2,067,764	665,965
Total	28,019	124,484,031	4,093,403	2,785,739	134,750,000	145,500,000	4,305,619,123	211,500,000	145,500,000	...	7,710,807	330,718,268	74,873,603

▲Of this amount, $52,733,712 represents deposits in Canada in currencies other than Canadian. *And loans for which they are guarantors.

ASSETS

NAME OF BANK	Gold and Subsidiary Coin Held in Canada $	Gold and Subsidiary Coin Held Elsewhere $	Notes of Bank of Canada $	Deposits with Bank of Canada $	Notes of Other Banks $	Govt. and Bank Notes other than Canadian $	Cheques on other banks $	Balances due by other banks in Canada $	Due by banks in U.K. $
Montreal*	1,636,469	73,509	25,019,741	58,569,757	555,280	442,213	43,077,970	...	9,997,617
Nova Scotia	480,346	896,743	8,017,636	22,793,914	178,549	7,399,397	12,919,356	...	12,067,581
Toronto	341,184	...	4,789,153	9,015,142	61,380	70,342	10,600,754	...	399,829
Provinciale	286,407	...	2,364,660	3,589,127	68,165	48,737	2,064,175	2,398	199,197
Commerce†	1,122,343	192,306	16,464,265	41,378,791	251,632	2,361,906	31,604,055	...	6,284,038
Royal	2,076,762	1,584,123	26,608,144	47,635,773	534,860	23,384,557	50,594,698	6,629	14,864,140
Dominion	316,560	499	3,359,473	14,835,640	162,675	105,606	6,775,805	...	1,826,234
Nationale	603,743	...	6,835,720	6,046,699	123,515	56,456	5,216,403	1,337,290	39,182
Imperial	438,013	...	6,344,206	8,372,837	150,180	67,818	10,965,665	654,301	548,102
Barclays (Can.)	7,605	...	70,594	1,634,074	4,130	3,201	540,228	959,724	1,582,376
Total	7,390,441	2,747,180	99,873,592	214,771,755	2,090,366	33,940,233	173,368,109	2,960,342	47,808,296

NAME OF BANK	Due by banks elsewhere $	Govt. sec. short term $	Govt. sec. long term $	Canadian municipal securities $	Public sec. other than Can. $	Other bonds and stocks $	Call and short loans in Canada $	Call and short loans elsewhere $	Current loans in Canada $
Montreal*	27,131,305	198,348,040	291,966,396	16,692,417	30,556,448	22,419,067	2,589,753	18,504,850	257,096,055
Nova Scotia	11,097,339	44,112,129	66,960,322	10,385,736	2,763,542	12,193,985	4,128,630	283,300	108,384,750
Toronto	3,319,007	37,048,212	49,606,945	2,396,639	...	3,470,161	1,224,150	...	63,705,696
Provinciale	665,082	10,429,124	9,385,088	11,888,233	...	1,353,707	2,636,903	...	13,807,721
Commerce†	22,369,406	114,068,313	167,042,482	7,872,251	29,451,068	12,645,374	7,083,629	14,357,451	248,858,089
Royal	48,770,746	199,277,463	232,715,301	9,320,888	26,795,828	28,675,633	6,535,704	17,789,822	248,400,141
Dominion	6,499,089	27,521,098	30,240,776	1,533,072	222,378	1,409,558	1,342,140	1,884,040	75,348,513
Nationale	2,119,683	34,880,852	28,257,552	16,196,193	12,388	3,788,331	3,727,994	...	81,849,225
Imperial	6,122,285	36,916,077	50,413,345	5,841,844	...	50,719	2,384,361	...	84,181,952
Barclays (Can.)	3,816,739	4,554,624	7,246,523	1,000	25,000	...	174,100	...	4,185,866
Total	131,910,681	707,155,952	933,834,730	82,128,373	89,826,652	86,006,535	31,827,364	52,819,463	1,155,818,008

NAME OF BANK	Current loans elsewhere $	Loans to provincial governments $	Loans to municipalities $	Non-Current loans $	Real estate other than Bank premises $	Mortgages on real estate $	Bank Premises	Deposit for note circulation $	Other assets	Total assets▲ $
Montreal*	20,064,195	1,677,632	32,737,541	546,256	374,337	479,927	13,900,000	1,015,765	1,825,347	1,095,892,488
Nova Scotia	16,745,232	323,412	4,601,038	378,269	...	79,975	5,871,224	430,822	2,338,620	384,191,286
Toronto	...	...	3,784,723	60,305	...	7,782	3,212,109	175,559	...	197,551,951
Provinciale	...	28,911	2,286,795	75,738	407,436	259,404	2,065,316	129,913	87,661	64,245,068
Commerce†	15,908,998	5,178,552	12,881,094	1,148,982	2,173,567	963,637	13,928,632	852,000	4,143,802	807,758,358
Royal	88,768,994	1,722,509	17,213,799	1,576,980	1,687,896	704,926	14,152,780	1,200,000	4,014,330	1,150,907,182
Dominion	496,052	641,501	2,228,701	151,009	21,076	27,445	5,383,812	222,425	202,683	188,187,912
Nationale	...	310,848	5,471,338	169,606	1,532,444	688,666	4,774,851	215,611	259,245	175,074,677
Imperial	...	515,770	4,312,514	158,200	23,091	192,237	5,622,176	235,451	...	229,476,252
Barclays (Can.)	...	...	...	3,765	...	...	730,634	23,751	...	26,313,667
Total	141,983,471	10,399,135	85,537,543	4,269,119	6,219,847	3,403,999	69,641,534	4,501,297	12,871,688	4,319,398,841

*The business of the Bank in San Francisco, U.S.A., is carried on under the name of a locally incorporated company and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.

†The Canadian Bank of Commerce (California) has been incorporated under the laws of the State of California to conduct the business of the Bank in that State and the assets and liabilities of the Canadian Bank of Commerce (California) are included in the above general statement.—Footnote to Canadian Bank of Commerce return.

▲Total assets include $124,484,031 letters of credit outstanding as shown in liabilities.

—Photo C. P. Airlines.

Close to 100 pounds of mail are going into the nose of this Quebec Airways Plane. A part of the vast Canadian Pacific Air Lines, Quebec Airways operates the newly inaugurated mail line joining Montreal, Three Rivers, Cap de la Madeleine and Quebec City. Photo taken at the Dorval flying field.

New Books . . .

Socialist "Dust-Bowls"

INTERNATIONAL ECONOMIC DISINTEGRATION. By Wilhelm Ropke. Published by William Hodge & Co. 86 Hatton Garden London, E.C.1. Price 21 shillings.

This is a scholar's work for scholars to read. It will not be read by many businessmen or politicians. More's the pity, for, in the first place, it is eminently readable and, in the second place, it carries a message of vital significance at this time when everyone is buy trying to draw the pattern of the postwar world.

Dr. Ropke, who is professor of economics at the Graduate Institute of International Studies in Geneva, worked for two years on the basic material for this volume. The war has made it a most difficult thing to produce the book but here it is, a tribute to the resourcefulness of Dr. Ropke and of an old established British publishing firm.

In a sense, the study is historical. Dr. Ropke set out to trace the roots of the world economic collapse. More particularly he wanted to know why all the food producing countries suddenly went protectionist on the industrial side and why all the industrial countries put tariffs on food. Those roots, he found, grew very deep and he was led into an exhaustive analysis of nationalism, totalitarianism and the sociological background of war.

He presents a disturbing record of world folly. But Dr. Ropke gives us hope for the future. He outlines a possible new approach to the world's economic organization and particularly to the problem of the State versus the Individual—the conflict which Dr. Nicholas Murray Butler has dramatized as conflict between "The One and the Many." But what Dr. Ropke has to say will give little encouragement to the Socialists, the economic "planners" and the other "collectivists" (who would, in most cases, deny that they are collectivists). They have turned one nation after another into "social Dust-Bowls," he shows. Dr. Ropke wants a liberal world. He is against monopoly in any form, whether of cartels or of the bureaucrats. He sees any overorganized state as nothing but a totalitarian state, a state in which men can not be free.

That is a sobering truth worthy of being kept in mind as government officials declare the impossibility of getting rid of wartime "controls" and war's bloated spending in the days to come.

Textiles in War

MANUAL OF THE TEXTILE INDUSTRY OF CANADA, 1942 Edition. Canadian Textile Journal Publishing Co., Montreal. Price $1.

War and what it has meant to the textile industry of Canada is the central theme of the 14th edition of this annual review. Chief of these new conditions is the operation of the Wartime Prices and Trade Board.

Canada's textile industry is a $500 millions manufacturing enterprise, the largest, it is claimed, to have completely and voluntarily undertaken regulation of production and distribution in line with the national war economy. It has achieved great increase in output without public financial assistance, is turning out many items unknown to it before the war and is prepared to supply civilian and military needs within the limits dictated by available raw materials.

The second portion of the manual is a directory of the companies and men who make up Canada's textile industry, telling what they make, what their equipment is and who runs them.

Canadian National Railways reports gross revenues for the ten-day period ending May 31, 1942, were $8,996,000 as compared with $8,821,000 for the corresponding period of 1941, an increase of $175,000 or 2%.

London Calling

by Adelphi

LONDON.—A philosopher once said that destiny was merely character. Another philosopher said that character was made by climate. If both those observations be true, then the destiny of the British people ought to be a stormy one if the present climate of these islands exerts its full effect.

We had a winter that simply would not leave off. Then came a few deceptive days of sunshine and now, as flaming June is here, we are back to a mixture of December chill, March madness and April petulance.

At Whitsun the nation took one day's rest from its war labors and, although transport is drastically curtailed, people managed somehow to get a little distance into the country. Whereupon the wind rose and the rains came. There was no refuge, no chance to escape it. The ill-tempered wind harried them like Cossacks and the rain soaked them without mercy. And just to show that it was no mere holiday manifestation, the weather has kept it up ever since. Every now and then the rain stops for a few moments, no doubt to refill the tanks in the skies, and then it starts again. I am writing these words by a meagre voluntarily rationed grate fire which shivers every now and then as the wind swoops down the chimney to see if there is any shirking going on.

* * *

The Derby Goes On

A small paragraph in the newspapers says that the Derby is about to be run. Instead of the peacetime Epsom festival with costers and gypsies on the Downs, it will be run at Newmarket. No extra trains will be provided and it will be a brave man who will drive there in his car.

The real purpose of maintaining the classic races is to keep the value of British bloodstock at its proper level. The progeny of a Derby winner will fetch high stud fees even though the race be run at Newmarket and before a smallish crowd. The King's horse is favorite, but His Majesty will not see the race.

Of all his subjects, no one leads a more austere wartime life than the King. I am told, however, that Lord Rosebery will win or certainly be second with his colt Hyperides.

* * *

Water—Not Tanks

This morning comes the news that Rommel has attacked Auchinlech in Libya. If it develops into a major battle, the weather conditions will be frightful. The desert heat is rising and the men in the tanks will suffer horribly. The problem of water supply cannot be an easy one for the Germans to solve. I was talking recently to the Egyptian ambassador here and he was adamant in his view that water, rather than tanks, would solve any battle fought in the desert heat.

"The Auk" is a general who makes up in tenacity and thoroughness for the quality of genius which Wavell undoubtedly possesses. He gets up at six, goes for a short brisk walk, reads his reports during breakfast and holds conferences from 9 a.m. to 2 p.m., when he knocks off for lunch. He does not indulge in a siesta but tries to get to bed by eleven at night. His pencilled comments on reports and suggestions are very much to the point: "Damned good idea," "Not very sound," "Why in Hell should I?"

He is a man with only one interest—fighting the war. Unlike Caesar, who listened to soft music outside his tent, and Napoleon who loved writing letters, and Wavell who did a number of broadcasts, the tall Scot in the desert has a single track mind. He loathes making speeches, he talks in a quiet friendly voice, he wears shorts and a shirt like his men in summer, and he is embarrassed by his nickname, which recalls an ungainly bird. He is 58 and looks 48 with huge shoulders and an erect figure.

* * *

He Loses Nothing

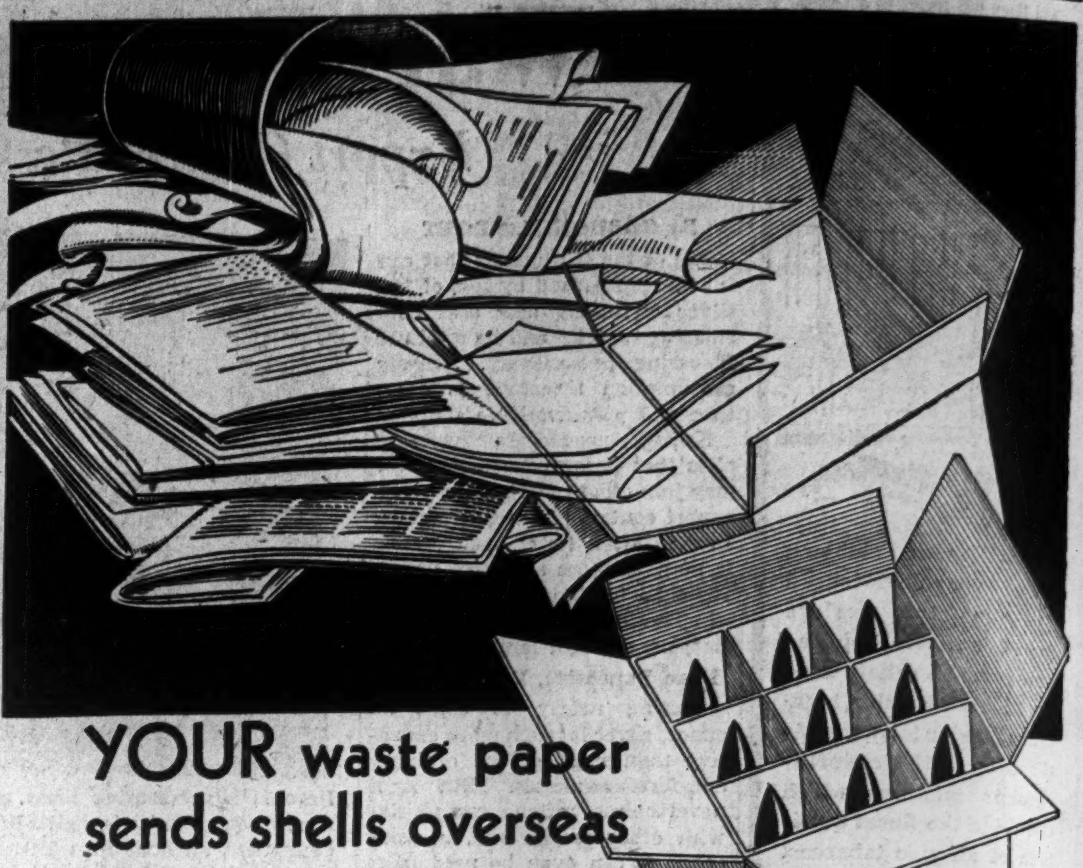
Among the many useful things Lord Beaverbrook has done in this war has been to bring the Press together at "off the record dinners" to meet distinguished guests from abroad. As nothing is ever reported, it is really an unselfish act by the proprietor of The Daily Express. We have dined with him to meet Harry Hopkins, Averill Harriman and other Americans. The other night the guest of honor was Dr. Evatt of Australia. At such dinners the seating arrangements have to be carefully planned. For example, The Evening Standard, The Daily Telegraph and Lord Kemsley's Daily Sketch are engaged in an internecine war and it would hardly be politic to put their editors side by side—to say nothing of Low, that greatest living cartoonist with the sweet smile of a virtuous little boy and the cruellest pen in contemporary caricature.

A Deep Impression

Dr. Evatt has made a deep impression upon those whom he has met. He went to Leeds with Churchill and came away, full of respect for the prime minister, but without the usual hero worshipping hysteria. He sees our problems and he sees those of Australia with clear eyes. He thinks that we are all guilty, the Mother Country and the Dominions, in our failure to develop the Empire until it was an unassailable unit. To him there is no question of any loosening of the bonds of Empire through this war. He is all for plain speaking and sees no reason for elaborate diplomatic verbiage between kinsmen. Certainly the pundits of the British press learned more about Australia at Beaverbrook's dinner than in a normal year of journalistic activity.

Low's description of himself as an artist is interesting. "People attribute sincerity to a poet, or a painter or to a composer," he said to me, "but deny it to a cartoonist. When I look at the expression of a man's face I say to myself: 'Now what is it that gives him that expression?' Then I see what it is and I draw him that way. That's all. Now if I were studying your face I would . . ."

I raised my hands in protest. He smiled that sweet smile of his. "It's funny how sensitive people are about the truth," he murmured.



YOUR waste paper sends shells overseas

● Millions of shipping containers for food and shells — miles of wall-board for huts and shelters and workers' housing — these require paper; ***waste paper***, if it's available, ***new pulp*** if waste fails to meet war needs.

By co-operating with your local salvage committee in the reclaiming of waste paper, you help to maintain the flow of new pulp for fine papers. You also release pulp products needed for explosives, shells and depth charges — for radio equipment, gaskets and other munitions of war.

AVOID SHORTAGE— FILL THE GAP WITH SCRAP

ROLLAND PAPER COMPANY LIMITED

1882-1942
60 YEARS OF FINE PAPER MAKING

MONTREAL, QUE.

BRANCH OFFICE: TORONTO, ONTARIO • MILLS AT ST. JEROME, QUEBEC, AND MONT ROLLAND, QUEBEC

"MAKE IT A STATION-TO-STATION CALL, MISS WILSON"

DAY and night, the facilities of the Trans-Canada Telephone System and its member companies must be ready to carry a flood of urgent messages vitally important to Canada's war effort. Never before was it so important that our long distance telephone service should be maintained at its normal peak of efficiency. By placing your long distance calls, so far as possible, "Station-to-Station" instead of "Person-to-Person", you will help us to do this and you will get quicker, cheaper service.

TRANS-CANADA TELEPHONE SYSTEM

THE BELL TELEPHONE COMPANY OF CANADA

There are "Names" to be kept alive — there are stories of production, of patriotic effort to be told.

And to be most effective those names and those stories should reach the greatest number of people.

The STAR WEEKLY is a family paper. It's read by men and women . . . and children. And it's read in *one* out of every *four* English-speaking homes in Canada. That is circulation far, far greater than any other national publication can give you.

LARGEST CIRCULATION IN CANADA *plus* HIGH READERSHIP

The STAR WEEKLY

PUBLISHED AT 80 KING ST. W., TORONTO, CANADA

MONTREAL OFFICE: University Tower. U.S. REPRESENTATIVES: Ward-Griffith Inc.